

OCTOBER, 1957

# Manage



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# MANAGE



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## IN THIS ISSUE

OCTOBER, 1957 Vol. 10, No. 1

John M. Fox, 43, president of the Minute Maid Corp., N. Y., is credited as the founder of the frozen concentrate industry. In 1945 he formed Florida Foods Corp., the first frozen juice concentrate company. Today, the company's annual sales are a reported \$100-million, plus. Fox began—after graduation from Cornell—as a salesman for IBM; during the war he was an executive with National Research Corp., engaged in research for the armed forces. Out of that research came the adaption of the high-vacuum drying process to the mass production of penicillin and blood plasma. And out of that grew Fox's conviction that concentrated orange juice had marketing possibilities . . . Two views of the British foreman's self-conscious concern with promotion are presented by Werdon Anglin, a young Canadian writer, and H.A.C. Tracey, General Secretary of the Institute of Industrial Supervisors headquartered in Birmingham, England . . .

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## EDITORIAL

# Memo

....FROM THE EDITOR

### TOO AMBITIOUS?

Although at this writing no one in the automobile manufacturing business has publicly said so, it looks like the automotive folks are digging in to spar with UAW-CIO President Walter P. Reuther until the bell rings.

By the end of October, we will know from news reports on auto industry contract negotiations how valid this assumption is.

While labor union leaders in general still are reeling from the public opinion hurts from the scandals disclosed by the Teamster Union hearings in Washington, this seems to be a logical time for such a thing to happen.

Reuther seems to be an ambitious man, not only for the upward progress of his union but for himself politically. He never has publicly denied, so far as we can learn, reports that he is a candidate for the office of President of the United States. That must mean that he believes himself capable of performing those duties. His actions, in fact, would indicate that he rather likes the idea of being considered for President.

His widely-publicized request for President Eisenhower, Congress and the public to support his suggestion to General Motors, Chrysler and Ford that they cut their 1958 model wholesale prices by \$100 per auto shows his flair for showmanship. This bid for public sympathy is definitely political, and it will be picked up and used by some Washington politicians to further their particular purpose. No matter what the outcome of the trespass upon management's prerogative, a reasonable amount of damage is done by a labor leader making such an issue.

Such is the atmosphere in which an ambitious politician works.

With today's marvelous systems of communications being what they are, the path of the ambitious man is one of many pitfalls. A man who would be President must achieve success in his chosen field, then be nominated for the highest office in recognition of that achievement. Such a leader as Reuther who would try as president of such a powerful union as the UAW-CIO, to become President by humbling such industrial giants of the auto industry, surely would not hesitate to use the same tactics in domestic and international leadership situations.

Any man who would make it his personal mission to humiliate the man-

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agement of such successful industrial operations as GM, Chrysler and Ford is playing Russian roulette with his career.

This is particularly true since the auto industry has been a leader in community and public relations. The public thinks well of the auto industry and its leadership.

Although it was said that the UAW-CIO would take the price-cutting into consideration when making its 1957 contract negotiation demands, the \$100, it is to be assumed, would be subtracted from the anticipated profits or from increased production efficiency of the future.

This points up the irresponsibility toward corporate "profits" that is sometimes displayed by opportunists, who talk of profits as easy money going into the personal bankrolls of managers.

Nothing could be further from the truth. A large per cent of all profits go to the Federal government in corporate and personal income taxes.

In the case of General Motors, the owners who gain most from corporate profits are 656,000 (as of December 31, 1956) tax-paying stockholders, most of whom are average, wage-earning Americans.

Also of significance is the fact that in no industry is the competition as keen as in the auto industry. If a manufacturer can possibly increase his sales volume by cutting prices \$100 per unit, then he is going to do it to capture a greater share of the market.

So far, the establishment of selling prices on manufactured products remains a prerogative of free-enterprise management, influenced only by the supreme boss—the customer.

It would seem logical that the shortest, most effective route for an employee representative—which Reuther is—to take in helping a company cut prices is to offer sincere leadership to increase employee productivity, efficiency, and loyalty.

No management group charged with the heavy responsibility of leadership of a company with over half a million stockholders takes very kindly to recommendations like this one, made perhaps in good faith but exploited for the gain of personal recognition in fulfillment of a personal political ambition.

Good products and service rendered for the benefit of the mobility of man have made the auto industry strong. When one man takes on the industry, chances are that he has reached the top rung of his personal success ladder and has led his followers into the proverbial brick wall.

*Dean Sims*



# Washington Report . . . .

....for supervisors

by Stewart French

The Supreme Court of the United States which so often—some say too often—has had the last word over the acts of the various legislatures and executive branches in our Federal system, starts a new year of its own in October. (Yes, this column really observes a lot of New Years in Washington).

As supervisors know, the Supreme Court was established by the Constitution, and as such, it's our only Constitutional court. All the others are statutory. The Founding Fathers didn't tell the court when it should meet, as it did Congress. So the Court, by Rule 3 of its own rules, says that its new term each year shall commence on the first Monday in October. The cases are numbered consecutively from then, so this year's will be No.—, October Term, 1957, even though the actual date of a decision may be in June, 1958.

If this season of the Court is anything like last year's, it'll be a humdinger. An unusually large number of the Court decisions in the October, 1956, term made headline news, and some of them, notably the "Jencks case," were the subject of Congressional action to overturn them, in effect. The Jencks case was the one that the Department of Justice said would open up F.B.I. secret files to every Tom, Dick, and Harry—or Ivanovitch.

## ROLE OF GOVERNMENT IN LABOR-MANAGEMENT ENLARGED BY JUDICIAL RULE

Some of the most significant decisions, with far-reaching impact on labor-management relations, didn't make headlines nor cause outspoken "viewing with alarm" in Congress. For example, in a series of three cases, the leading one of which was *Textile Workers Union vs. Lincoln Mills of Alabama*, the Court decided that, under the Taft-Hartley Act, Federal courts have jurisdiction to compel employers to comply with arbitration provisions in collective bargaining contracts.

Thus, labor arbitration now for the first time is a ward of Federal law.

In a vigorous and detailed dissent to all three cases, Justice Frankfurter quoted the following:

"Arbitration is an integral part of the system of self-government. And the system is designed to aid management in its quest for efficiency, to assist union leadership in its participation in the enterprise, and to secure justice for the employees. It is a means of making collective bargaining work and thus preserving private enterprise in a free government. When it works fairly well, it does not need the sanction of the law of contracts or the law of arbitration. It is only when the system breaks down completely that the courts' aid in these respects is invoked. But the courts cannot, by occasional sporadic decision, restore the parties' continuing relationship; and their intervention in such cases may seriously affect the going systems of self-government. When their autonomous system breaks down, might not the parties better be left to the usual methods for adjustment of labor disputes rather than to court actions on the contract or on the arbitration award?"

The former Harvard law professor pointed out that organized labor early and long had fought against having unions amenable as defendants to legal actions. Exemption of unions from the Clayton Anti-

trust Act of 1914, and the protection afforded them against Federal court injunction (Norris-LaGuardia Act, 1932), he argued, "reflected deep fears of the labor movement of the use of such remedies against labor."

"But a union, like any other combatant engaged in a particular fight, is ready to make an ally of an old enemy, and so we also find unions resorting to the otherwise much excoriated labor injunction. Such intermittent yielding to expediency does not change the fact that judicial intervention is ill-suited to the special characteristics of the arbitration process in labor disputes; nor are the conditions for its effective functioning thereby altered."

Thus, in seeking and obtaining a Federal Court injunction against employers, union labor may be endangering its own highly protected position in law. That is, labor through its own action may be making itself subject to the same laws to which management is subject. It's a double-edged sword.

Other labor-management decisions by the Supreme Court included:

ONE—State courts and agencies may not step into a labor dispute involving interstate commerce, even though the National Labor Relations Board refuses, under rules of its own making, to take jurisdiction. If this leaves a "vast no-man's land subject to no agency or court . . . Congress is free to change the situation at will."

TWO—The Fourteenth Amendment does not bar a state from enjoining peaceful picketing intended "to coerce an employer into interfering with his employees' right to join or refuse to join a union." This decision, a 5-3 one, brought forth a very vigorous dissent on the theory that picketing—peaceful picketing, that is—was an exercise of the freedom of speech guaranteed by the Fourteenth. The majority opinion is a major concession to state power.

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THREE—A crippling blow to the so-called "whipsawing," or "divide and conquer" strike, which unions have used effectively in collective bargaining with multi-employer groups. The court held unanimously that a lockout by an employer association when a union initiated a "whipsawing" plan by striking against one member did not constitute an unfair labor practice.

#### SUPERVISORS ACTIONS AS "ARM OF MANAGEMENT" BEFORE COURT

Important as was the 1956 Term of the Supreme Court, a case pending in the 1957 Term opening in October may have more direct impact on the status and activities of supervisors. This is the case taken up on appeal by Montgomery Ward & Co., the mail order and retail firm, against the National Labor Relations Board.

At issue is the status and action of a department head in the company's store at Binghamton, New York, who allegedly made threats to employees about voting for a union in a representation election. The department head's name was on the list of employees eligible to vote in the elections; he did in fact vote; and the election results were accepted and certified by the NLRB. The company insisted that by the action the board itself acknowledged that the department head was not a supervisor and hence his anti-union actions could not be attributed to management. The board found otherwise and the finding was sustained by the Second Court of Appeals.

In its brief on appeal to the Supreme Court, filed late last summer, the company quoted the following statement made in the Senate by the late Senator Robert Taft at the time the exemption of supervisors was written into the Taft-Hartley Act:

"It is felt very strongly by management that foremen are part of management; that it is impossible to manage a plant unless the foremen are wholly loyal to the management. We tried various in-between steps, but the general conclusion was that they must either be a part

of management or a part of the employees. It was proposed that there be separate foremen's unions not affiliated with the men's unions, but it was found that that was almost impossible; that there was always an affiliation of some sort; that foremen, in order to be successful in a strike, must have the support of the employees' union. A plant can promote other men to be foremen if necessary. The tie-up with the employees is inevitable. The committee felt that foremen either had to be part of management and not have any rights under the Wagner Act, or be treated entirely as employees, and it was felt that the latter course would result in the complete disruption of discipline and productivity in the factories of the United States."

The National Labor Relations Board in its brief in opposition countered as follows:

"However, a supervisor, although mistakenly permitted to vote in the (representation) election by agreement of the parties, remains an arm of management. To the extent, therefore, that an employer's accountability for the conduct of a supervisor does not depend on employee reaction, the employer's responsibility for the supervisor's actions is not affected by the fact of inclusion in the unit. Hence, an employer is chargeable with knowledge of union activities acquired by such supervisor."

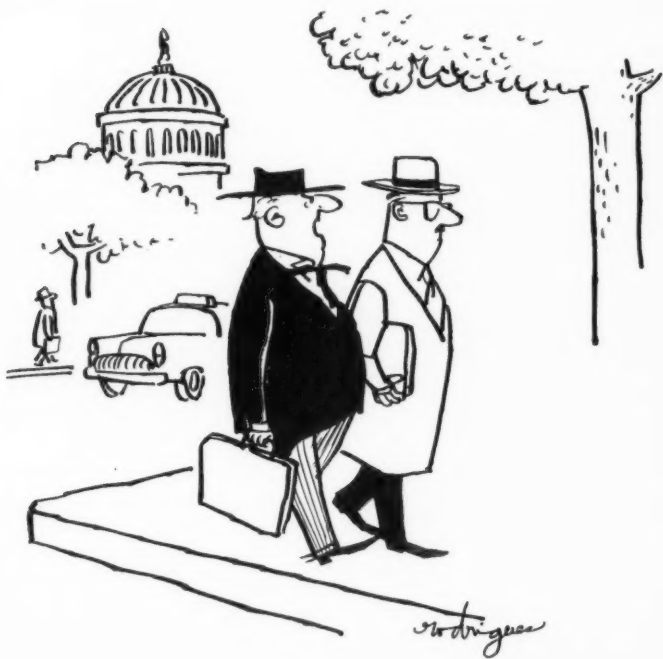
In arguing that the department head was in fact a supervisor, although he himself did not hire and fire, the board's brief asserts:

"The record in the instant complaint proceeding showed, however that DuFour (the department head) directed the work of other employees and effectively recommended the hiring and discharge of individuals in his department and that the exercise of his authority was not merely routine or clerical. Concluding that 'the mere fact that DuFour

was permitted to vote in the election by agreement of the parties is not the equivalent of a determination of his status by the Board,' the Board found that DuFour had a status different from other department heads in the store and was in fact a supervisor within the meaning of Section 2(11) of the Act."

Thus, the highest Court in our land has before it the problem of who and what is a supervisor.

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"I don't see why they all started to laugh. What's wrong with a 'right not to work' law, anyhow?"

# What it takes— to be a Manager

by John M. Fox  
President, Minute Maid Corp.

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TO BE AT ALL OBJECTIVE about the controversial subject of what it takes to be a manager, one must review the three broad phases of management evolution that have developed during our lifetime. Fifty to 75 years ago nearly every company in America was managed by its owner. Some of the most exciting chapters of our industrial history were written by brilliant, far-sighted and tough-minded men like Henry Ford, Harvey Firestone, George Westinghouse.

With the growing need for capital to expand, ownership shifted to the public. Guidance of companies remained for the most part in the strong hands of such giants as International Business Machines Corporation's Thomas J. Watson, Sewell Avery of Montgomery Ward, Walter P. Chrysler, and hundreds of others, many of whom are still running a

good show in their respective companies—but a one-man show.

As our businesses have become more complex—demanding special knowledge in production, taxes, marketing, engineering and finance—the job of running a company has gotten too big for any one man. Hence the birth of the team management idea. It is perhaps best exemplified by General Motors Corp., one of the earliest and probably still the most successful proponent of this *modus operandi*.

The team concept has some very real hazards, however. The need for specialization has tended to produce men with a kinship for finance or sales or production. This often develops an overemphasis of their specialty to the detriment of the whole operation.

After World War II, our managements awoke to the great need for,

and the great lack of, qualified top management men. Executive development plans became a fad; nearly every major company had one. "Job rotation" was the watchword. Advanced management courses at universities were in great demand, and still are. I am not in any way belittling these efforts. Some have proved effective; others have failed. You all probably know examples of each. A feeling is emerging, however, that to find our leaders of tomorrow is more fundamental than merely to appoint a group of "crown princes" who may or may not have what it takes to be good managers.

I attended a round table conference of business executives at Columbia University recently. Subject of discussions that took place one evening a week for two months was "Management of Expanding Enterprises." The topic that came in for a heavy concentration of study was the selection and training of men to manage a growing enterprise.

From these discussions and from observations of other business leaders shepherding effective management teams, I have chosen six fundamental qualities that must characterize men destined to command in business. This list is not complete and I must point out that these six qualities are rarely, if ever, found in their fullest degree in any one man. Such a paragon of perfection probably does not exist. The list may be useful, however, to anyone who wants to

climb high on the management ladder and who is willing to pay the price of the climb.

The qualifications are:

**CREATIVE ABILITY.** Business is looking for *men who can think*. There are many synonyms for this quality. It is sometimes called vision; also imagination. Whatever the term, remember that nothing starts without an idea. Ideas are the lifeblood of an organization, a must for success, an essential of all growth. To be a good manager, a man must have the ability to think creatively, constructively and clearly.

The leadership role in management calls constantly for resourcefulness: The fast-moving, continually changing pattern of the modern competitive business world demands this quality if success and satisfactory profits are to be realized.

There are many misconceptions about the ability to have ideas. One of the most outrageous statements on the subject I have ever heard came from a professorial friend of mine who said that a man should change jobs and preferably businesses after he had produced 10 good ideas. Yet, it is well recognized now that the brain not only never tires, but becomes more productive and efficient with use. Moreover, no one has yet been able to utilize more than a small fraction of the potential in his brain.

The ability to think creatively can be developed. One of the greatest

aids to this worth-while pursuit is *use of our subconscious* minds. Those of you who have learned to tap this great human resource know its value. . .

Many years ago, I learned that it is best to feed the elements of a problem to your mind just before you retire. Then while you are in repose that night or perhaps after several nights, the solutions will come to you, almost like magic. And, what is much more important, the solutions will represent clearer and sounder thinking than you can usually produce with your everyday conscious mind. The old axiom of "Let's sleep on it" is based on this power, and I heartily recommend it to you as a valuable tool in your management kit.

A few other thoughts on creative ability: Be curious—ask questions—keep an open mind to the other fellow's ideas—and listen. By all means, learn to listen!

Remember, above all, that your superior expects you to bring him solutions, not problems.

**JUDGMENT.** Webster defines this somewhat elusive quality as the "ability to judge justly or wisely, especially in matters affecting action." It is also described as "good sense." *Men who are destined for leadership must be men who can make sound and wise decisions.*

This *sound thinking* qualification goes hand in hand with the creative

thinking attribute. Sheer brilliance of innovation and invention can be disastrous without a counterbalance of common sense. . .

There have been countless examples of great, earth-shaking fiascos that came about because someone in a key position failed to use good judgment—forgot the fundamentals of simple common sense.

The inventor of the modern self-service store, Clarence Saunders, fell into this trap not many years ago. After his spectacular success with the Piggly Wiggly stores, forerunners of all of today's supermarkets, he went overboard for the completely automatic grocery store.

He called it the Keydoozle store. It worked something like this: As the customer entered, he was handed a little metal gadget that looked like a pistol. The merchandise was racked around the store on display as single units behind glass panels. Under each item there was a keyhole-like aperture into which the customer poked his pistol-like key. He would pull the trigger once for each item he wanted.

This action would record on a punched tape the price of his purchase and set up the "backstage" machinery to assemble his order on a conveyor belt. By the time he had made his selections and walked to the cashier, who would run the tape from his hand machine through a computer, the entire order would

be assembled and boxed and waiting for him in the front of the store.

Quite an idea! No pushing carts around a block-size amphitheatre. Space would be conserved. Time would not be wasted at the check-out. Labor would be saved because hard-to-maintain mass displays would be eliminated. In principle it was great, but the idea was a huge flop. Why? It took more maintenance men to keep the machinery running than any store operator could afford, and even then it would invariably break down on Fridays or Saturdays during the heaviest shopping hours. The resulting chaos made it a joke.

Is judgment something people are born with? I think not. I go along with an old college professor of mine who once lectured the class on how to develop judgment. He advised that we should take every opportunity that presented itself to practice and exercise our judgment. He recommended that we study public issues currently under discussion in Washington. Read all we could about them. Read the commentators' and columnists' opinions, but reserve our decision until we had gotten both or all sides of the argument. Then carefully weighing the evidence, the facts and the opinions we had uncovered, we should make up our minds on the issue. We should write down our considered position. Later, when time had finally brought the right answer to light, as it nearly always does, we

should compare our position with what turned out to be right. "This practice, if started early enough in life, and continued for as long as you live, will develop wisdom without the price of expensive mistakes," my professor said.

A final thought on this matter of wisdom. A negative, fault-finding approach is not a substitute for judgment. Every new idea can be killed at birth by a superior who sees nothing but reasons why something won't work. Enthusiasm and a positive attitude are important elements in the balance required of a leader whose judgment and decision-making activities will be tested from the day he assumes important managerial responsibility.

**ADMINISTRATIVE SKILL.** The good executive must be able to foresee the needs of his operation—to forecast its requirements in manpower, materials, money and time. He must have the ability to resolve these needs into a practical and understandable program. Modern business must have *men who can plan*.

This is the unglamorous side of the manager's job. It requires painstaking concern over a multitude of details; it requires more than a little "i" dotting and "r" crossing; it requires concentration and vigilance; above all, it requires an orderliness of mind and method. In my opinion it is an area where many otherwise high-caliber executives are weakest.

In the pressure and pace of daily operating affairs, it is a problem for many to find time for the planning and thinking out of projects. This failure can be, and often is, the graveyard of many worth-while ideas—with subsequent waste of dollars and hours.

Our forefathers may have been able to operate on an "opportunistic" basis. The growth of our economy, the unlimited natural resources, the vast untapped markets permitted, and in many cases called for, the fast-moving, crap-shooting business swashbuckler.

Times have changed. The difficulty of creating capital wealth because of the tax structure, and the competitive complexion of our current economy, do not permit much leeway for such waste of either money or time.

One of the outward manifestations of this quality of administrative skill is orderliness. The way a man marshals his thoughts, the way he presents his arguments, the way he plans his own life, the way he keeps his working quarters—these are signs of an orderly mind, or lack of it.

Omitting the unforeseeable emergency that can throw a curve into any of our personal lives, the good manager lives within his income. He finds ways in spite of today's inflated living costs to protect the financial security of himself and his family, to provide for their health and well-being and to spare himself the men-

tal anguish of not being able to make ends meet. This calls for a real measure of sacrifice, in most cases, and a family decision to forego many of the material enticements with which our society abounds.

**POSITIVE ATTITUDE.** A manager must be optimistic. He must radiate confidence and enthusiasm. The business world of today and tomorrow wants leaders *who can inspire*.

This positive approach cannot be a manufactured or an artificial one. It must not be merely a pose; it must be sincere and deeply felt. A company, an operation within a company, a project within an operation, must be led by a manager who has an all-abiding faith in his work and objectives. This faith is usually the secret weapon against the discouragement of difficulties and problems.

The manager's behavior, his facial expressions, even the droop of his shoulders, are all watched closely by the rank and file of employees. A discouraged and despondent executive can send the morale of 100 or more employees into the gutter. A worried-looking boss can send a wave of fear rolling through an organization which starts a chain of resignations among the best people, and work slow-down among nearly all of them.

You may properly ask, how does a man develop a positive, optimistic attitude? With the problems of Government regulations, taxation,

cut-throat competition, strikes, personnel failures besetting him daily, most modern managers face enough grief to make them contemplate suicide once a week. How do some men develop the ability to relax in the midst of constant pressure and trouble?

An important key to the answer is health. Vigorous good health is essential if a manager is to keep up the pace demanded by managerial responsibility. This means proper eating habits, care against overindulgence in smoking and drinking, adequate rest and exercise. A sick or half-sick manager is a real handicap to a company.

All work and no play usually produces a tense and grim executive. Hobbies and outside interests give a man greater capacity and vigor in his professional role. Vacations are necessary—and no company should permit its key executives to get so swamped that they feel guilty for taking time off.

It is not easy to stay undisturbed when things around you are going wrong. Jokes about the ulcer incidence among business managers is no joke. Our country's consumption of aspirin is a national disgrace.

Another important weapon against worry and pessimism is *faith*—faith in the people to whom you have assigned an important job, faith in yourself, faith in God. People more often than not live up to the faith

they know you have in them. You yourself more often than not do a good job if you believe you can. . .

The job of inspiring others also involves some important mechanical skills. You want men who can talk well, men who can write well, men who can be understood, men who can sell people on doing what they want them to do.

Some people have these skills naturally; most have to develop them laboriously. How? By practice, practice and more practice. This is why public speaking courses are desirable for an aspiring manager. He should also strive to excel in clear, concise, written expression. A large measure of his success will depend on his ability to communicate.

**COURAGE.** Managers must be *men who will gamble*—not in the Monte Carlo, Churchill Downs or crap-shooting sense of the word. Business is a matter of taking a risk and quite often the magnitude of the risk is a measure of the possible gain, or loss.

In nearly every business decision someone must have the courage to take positive action without having in hand *all* the facts and data that make that decision risk-free. To wait for all the necessary information may mean missing an opportunity, may mean a more aggressive competitor will take the important initiative, may mean a timing failure. Timing in business affairs is vital. So usually someone, a manager with courage,

must stick his neck out and decide to do something—now!

It takes courage to delegate. To give a subordinate the authority to perform a function, to stand aside and let him make a decision—a decision that may turn out to be wrong—takes valor. It is a fundamental precept of business management that although the work load may be distributed down the line, and many decisions may and should be made down the line, final responsibility for an operation cannot be delegated; results of a departmental decision cannot be ducked by the department head; performance of a division is the responsibility of a division vice-president; deeds and performance (or lack of it) of every individual in a company is the responsibility of the president. *A manager can never abdicate his responsibility.*

Since it is a well understood code that a manager must take the blame for the mistakes of his organization, yet at the same time pass along the credit for its success, it defies a man's natural instincts not to review and approve every decision within his jurisdiction. When this happens you have no true delegation. One of the hardest lessons for a manager to learn is to "let go."

The courage to delegate is particularly strained when the person to whom the job is delegated happens to be young or relatively inexperienced. I have always liked the term American Brake Shoe's William

Given uses, "*the freedom to fail*," as a basic management principle in this matter. Men will not take risks and make decisions if they find mistakes mean dismissal. The climate of a company, set by its top management, must allow for failures in decision-making if there is to be a development of managerial ability within the organization. We learn far more by our errors than our successes, but it takes a courageous executive to encourage this freedom.

It takes courage to be tough, to say "no" to requests that come daily to a manager's desk. It's much pleasanter to acquiesce and to be a good guy. But with every important executive position goes the unpleasant task of being a wet blanket when the good of the organization is involved.

It takes courage to ask your superior for advice. Many executives have the idea that, once given a responsibility, it will be viewed as a sign of weakness if they admit they are stumped now and then. It always takes courage for a man in an executive position to say "I don't know."

It takes courage to disagree with a superior. There has been a lot written and even more said about the undesirability of the yes-man. Nevertheless, it takes real guts sometimes for a man to say "Boss, I think you are wrong—Sir!" It takes even more guts for a manager to take action without a precedent or company policy to back him up.

When a manager is given respon-

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sibility it is not for him to complain or alibi. Nor can he wait for a decree from above when immediate action is called for.

If the action his best judgment tells him should be taken is one expressly forbidden by policy or instruction from higher management, then the executive should try to get clearance for a change of policy. When there is not enough time for the clearance to come through, he has to take action and explain or defend it afterward.

*A manager is supposed to get things done.* This often takes real pluck.

Lawrence Appley, president, American Management Association, in one of his recent bulletins says: "A principle for the propagation of the Management Species might run as follows: *To blend with one's environment may earn survival; to oppose it risks extermination; to control and redirect it insures progress.*"

**CHARACTER.** Managers must be *men of high integrity.* The quality of integrity—the honesty, sincerity, the moral posture of a top executive must be unquestionable. This is a common ingredient of all real leaders. They may have the previously discussed five characteristics in greater or lesser degree; on this quality there can be no compromise.

Integrity manifests itself in many ways, some quite subtle, I think.

Leaders of integrity have humility. President Eisenhower, probably the

greatest leader of men in our time, demonstrated this quality the night that he was elected President of the United States. You will remember his words as he stood before his deliriously happy campaign workers, having achieved the top accolade of American life: "We should always take our jobs seriously but never ourselves."

Arrogant leaders are short-lived. Arrogant managers may survive because they own the business or have their boards of directors buffaloed. But their companies never attain their full potential because people cannot feel loyalty to arrogance. As Clarence Frances once said, "You can never buy an employee's loyalty—this you have to earn."

On this same subject Disraeli wisely remarked, "Every man has the right to be conceited, until he is successful." The success of every manager is so tied up with the efforts of those around him that he cannot help but be humble if he is a man of integrity.

I race sailboats for a hobby—not well, I'm afraid, but enthusiastically. In sailboat racing we have a term known as "Corinthianism" which I believe illustrates this quality of integrity.

I had occasion to demonstrate "Corinthianism" to my children a couple of summers ago. The Foxes' boat by some strange fluke rounded the first mark well ahead of the fleet. It was the first time this had ever

happened. By an even stranger fluke (the breezes on Long Island Sound are famous for their flukiness) we approached the second mark with our competitors out of sight under our stern. At this exultant moment, father goofed. In rounding this mark the main boom jibed over and struck a buoy a resounding thump. We had fouled out.

I turned the boat and started home for our mooring. The children who were crewing nearly had apoplexy. "Holy cow, Dad, what are you doing, the finish line is in the other direction!" I explained we had committed a foul and were required to withdraw from the race. "But no one saw us—not even in their glasses could they have seen us!"

It took a little while to point out

that since *we* knew we had committed a foul that was all that counted. *That is "Corinthianism."*

To be a manager a man must have the confidence of his superiors that his actions will be the same whether his deeds are subject to observation or not. *This is integrity.*

I think that the development of managers is of tremendous importance—important to our children and the generations to come, important to the free enterprise system, important to our country, important to our precious American way of life. It is a profession of which I am proud to be a member—junior grade. I would be supremely happy if either of my sons or both of them, would choose to aspire to and could qualify as managers.

Condensed from SALES MANAGEMENT, "the Magazine of Marketing." Copyright, 1956.



**"And before they had discovered how deeply I had dipped into petty cash, I bought the company!"**

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LOOKING BACK NOW, I realize that I began my career as a married man with little more than a song in my heart and a spare set of mandolin strings.

Hardly had I shaken the rice from the crepe beard I wore to disguise my youth, than my wife began pouting around about the various duties peculiar to the man of the house.

"Now, this particular gadget is a lawnmower," she said one day as we strolled hand-in-hand through the basement. "It has a direct connection with what is happening on the lawn."

"And what is happening on the lawn?" I asked with a shy, mocking smile.

"Grass is happening," she replied with no smile at all.

Patiently I explained that I had spent most of my youth mushing around the Arctic with Amundsen and had never seen grass. When this failed to work, I pointed out that grass is a grammaceous plant packed with vitamins, and if allowed to attain a height of 12 or 14 inches could be canned for winter use.

That was a great year for grass. All day long, under a broiling sun, I plodded back and forth, pushing that mower and crying softly to myself. I tried every known method to induce crop failure, even calling on some nearby Indians to stage a sort of reverse Corn Dance. Each morning there would be a fresh crop, pearled with dew. Months later, when the stuff even survived the first

# HOW GREEN WAS MY THUMB

by  
**dick**  
**ashbaugh**

sharp frost I went out and personally beat each blade senseless with a baseball bat.

After my smashing success with grass there was little excuse for not having a garden. Nothing compares with good old home canned vegetables you've raised yourself—unless it's good old factory canned vegetables you buy at a grocery store.

Preliminary probing with a toothpick revealed that our lot rested on the site of an ancient Aztec marketplace. Directly below the surface was a solid, granite pavement of some sort. By using an air hammer I managed to drill in a half-dozen tomato plants, a head lettuce bush, a row of anchovies, and an odd hybrid guaranteed to produce small jars of mayonnaise.

Each plant got a teacup of warm water once an hour, plus a measure of plant food composed of rare chemicals sold only through diamond importers.

Although my wife and I sat up all night with the plants, and even brought them goodies from our own table, only the tomato plants survived. They twisted and growled upward like Jack's beanstalk, growing stronger and meaner every day.

When one of them tripped a neighbor lady and started over the fence with her small child, we knew that the time had come to fight back. The police sent reserves and all were captured except one—now reported living in Mexico under an assumed name.

In between times my wife wheedled me into a mad project known as a rock garden. Stumbling across an abandoned rice paddy in one corner of the yard, I began to trim it daintily with granite boulders weighing approximately 200 pounds each. The clear, bell-like tones of snapping vertebrae attracted music lovers from far and near.

Finally, while placing the centerpiece, a block of pure marble, I slipped into the ooze. For several days I remained there unobserved, slowly disappearing under the lichens and rock ferns. When my wife happened to notice there were no shirts in the laundry that week, a search party was organized and I was rescued.

Several weeks later we moved into an apartment with a beautiful view of a solid brick wall. The only growing thing was the janitor's beard and I finally bribed him out of that.

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*The insurance adjuster made his inspection after the fire and turned to go. The home owner asked him if he knew what had caused the fire.*

*"Yes, I do," the adjuster replied, "friction."*

*"Friction? What do you mean by that?"*

*"The fire was undoubtedly caused by rubbing a 16-thousand-dollar insurance policy over a two-thousand-dollar house."*

**While simplification and specialization have increased production, workers are often bored.**

## *A solution:* **JOB ENLARGEMENT**

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UNLESS OFFICE and factory employees gain more satisfaction from their work itself, rather than from outside their jobs, the democratic capitalistic system may be endangered.

In many cases, job enlargement is the solution. This message was given in Chicago at a recent joint conference on office methods and procedure by Edward A. Robie, personnel director of The Equitable Society.

Job simplification and specialization has increased production, leisure time and earnings, Robie said, but they have also reduced the satisfaction which an employee receives from his work. Americans generally, he pointed out, while becoming better educated, have become increasingly bored with their jobs.

"What should we expect from the worker who spends all of his working hours, day after day and week after week, on a simple, routine operation that fails to challenge anything in him except his desire to

stick it out until quitting time and the next pay day?"

Robie asked if we can expect such an individual to be "emotionally stable and well-adjusted." He also asked whether we should be surprised when, "at best, he merely escapes in orgies of consumption . . . of TV programs, movies and scandal magazines . . . (and) becomes creatively sterile."

A study of a large clerical organization, cited by Robie, showed that employees tend to be most satisfied with jobs which require considerable skill, include various activities and permit the employee to make decisions. While the study indicated that high satisfaction accompanies jobs which make full use of abilities and skills, it also revealed that some employees are best suited to routine, simplified work.

The Colonial Life Insurance Co. of East Orange, N. J., was among three corporations, mentioned by Robie, which have accomplished job

enlargement by combining routine jobs, eliminating higher level positions and adding their functions to routine jobs. The company, which employs about 200 persons in its home office, introduced job enlargement in the application section of its underwriting department. The results included: elimination of bottlenecks, simplified training, easier correction of operational faults, reduced absenteeism, less "buck-passing," and adequate job coverage during vacations and other absences.

To accomplish this, three narrow jobs were combined into a single broad job, manned by three people. The employees opened, sorted and alphabetically apportioned applications, each employee being responsible for all operations on applications falling within his part of the alphabet. Robie also described successful examples of job enlargement at Detroit Edison and IBM.

A job can be enlarged not only by reorganizing duties, Robie said, but also by management's encouraging the employee to perform his job to its full limit and, if possible, beyond. He warned, however, that "job enlargement is not a gimmick or a cure-all for the dissatisfied worker."

The most important element in accomplishing such a program, according to Robie, is acceptance of the job enlargement philosophy by the organization's managers. He said management must first recognize the creative talents of its employees and believe that they should be used not only to benefit the enterprise, but perhaps even to preserve our democratic capitalistic system. Additional prerequisites for job enlargement, he said, are: a good product, good personnel, encouragement of employee self-education and self-improvement, and an expanding market.

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*"Hello, Bill, I hear you have a new youngster at your house," said the employer.*

*The new father glanced around apprehensively. "For Heaven's sake, you can't hear him 'way up here, can you?"*

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*"I feel like I'd like to punch the boss in the jaw again."*

*"Gosh, did you say, again?"*

*"Yes, I felt like doing it once last week."*

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*Employee—"I have been here 10 years doing three men's work for one man's pay. Now I want a raise."*

*Employer—"Well, I can't give you a raise, but if you'll tell me who the other two men are, I'll fire them."*

# The British Foreman

## Two Views

by Werdon Anglin,  
Canadian writer  
residing in England

and

H. A. C. Tracey,  
General Secretary,  
The Institute of  
Industrial Supervisors,  
Birmingham, England

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### THE RELUCTANT FOREMAN

By Werdon Anglin

FOUR MONTHS AGO, when 32-year-old Clifford Watts came home from his job at a Birmingham steel mill, he had some important news to tell. Ordinarily, it was the kind of news which sends husbands scurrying home to tell. But not Cliff. He had dropped in at his local pub (a beer parlor) to think about it first. If his mates wondered why he sat by himself instead of joining them as usual, they didn't ask. Privacy is a respected right in Britain.

At home in his semi-detached council house named "Fair View" (homes in the British Isles have names as often as numbers), Cliff

has his evening tea before broaching the subject to his wife.

"Had a bit of surprising news at the mill today, Jean," he volunteered casually, then waited for her to continue the conversation.

"Well for goodness sake, silly, don't just sit there. Go on, *tell* me, and why didn't you say so before?" The troubled look on her husband's face made her say no more.

The news was that Cliff had been offered a foreman's position in the casting bay department where he worked, "as an ordinary bloke, mind you." The promotion meant a large increase in salary for Cliff, and one would have thought that he would have jumped at the opportunity. But no. He announced to the manage-

*The editors of MANAGE thought Anglin's article so controversial that they decided to seek another viewpoint. The answer, by Mr. Tracey, long a friend of the NMA, begins on page 28.*

ment that he would have to think it over. He knew however, just as his employers knew, that he was qualified for the position. He realized too that he needed the higher salary—for his wife and two young sons. His problem was one appreciated only in England. He didn't want to rise in position above his mates. The promotion would put him in another class, and in this class-conscious country which is England this is not a matter to be considered lightly.

Cliff knew full well that his mates would consider him as a member of the higher or ruling order, just as he himself considered the foremen over him as such. He and his mates shunned the foremen at the plant, socially, for they felt that although they came from the same social background, they had risen above it and were in closer contact with the management, which to the ordinary English worker is not a good thing.

This attitude Cliff agreed was not one of jealousy for the man above, but simply an inherited feeling of distrust on the part of the worker. A promotion to foreman would elevate Cliff to something near the "gentleman" category as far as his mates were concerned. It would be like turning traitor to his friends.

All this had been running through Cliff's mind—and Jean's, once she heard the news. But it was Jean who realized just how much the promotion could mean to them, and persuaded Cliff to accept the offer.

The first two weeks were busy but easy ones for Cliff since he was away at his company's school, receiving special training for his new appointment. However, back at the plant, changes began to take place in the attitude of his friends. They congratulated him heartily enough and made light of the fact that Cliff was "getting up in the world." Although said in jest, Cliff knew beneath this was the element of truth. They *did* regard him as one who was "climbing up" in the world. As far as they were concerned, their mate had taken the first step away from his own little world.

Had Cliff and his friends been the club-member types the difference would have been more marked. At meetings he probably would have been gently shunned, and ultimately his membership might have been dropped. But he was not a club type and met his friends only at the favored pub or at their homes. Now, when he dropped in for a drink he was greeted politely enough but the happy-go-lucky "matey" atmosphere was chilled. At work the men were congenial enough but their attitude implied that a social call at home would not be a good idea. Cliff knew better than to impose himself on the men after hours. He even chose a pub popular with other foremen at the mill who had or were experiencing the same situation.

Jean did not suffer the same "black-balling" by her friends, al-

though she was placed under observation at first, for signs of an "importance complex" which never came. She still bought fish and chips at the local shop once or twice a week as did her friends (this is strictly "non-snob" in Britain) went to the same hair dresser as before, once every three weeks for a wash and set, refused to buy a washing machine (although Cliff insisted), saying, "I'd miss the gossip at the launderette if I did." She didn't mention that that would likely be considered putting on airs. Wisest of all, Jean didn't go on shopping sprees for herself. She didn't want her friends to be envious of her.

The promotion meant an increase of about seven pounds a week for Cliff. His original salary averaged twelve pounds a week. Now it is nineteen pounds weekly. At the current exchange rate, \$60 does not seem much for a foreman's wage, but it must be noted that a pound in Britain will buy what \$5 will in the United States.

Cliff was a bit modest when he described himself as "just an ordinary bloke" at the plant, for he had the quality the management sought in a foreman.

Another factor which Cliff had to consider before accepting his new job was that at work he would be out of touch socially with his friends, and in his industry clubs as well. This would set him apart from them more than ever.

One cannot stress enough this strange fear of promotion and elevation in social class which persists among the working class in Britain. Rarely anywhere else in the Western World would a man seriously consider turning down a raise in position and salary because it would remove him socially from his fellow workers. Yet in this country many men do just this. Class distinction is still very much prevalent here and people rarely want to move out of their own category.

There are upper, middle, and lower class cigarettes, the same for seats at the cinema (movies), the theatres, on trains; at the pubs there are different sections for the clientele, but all use the one bar which is in the center of the room which is partitioned off. Beer comes in three different prices according to where you are. Cheap beer has the cheap decor, etc. The postal area of your home means much too—even which side of the street your home is on.

When Cliff stayed on in his council house (the rent is subsidized by his local county council), continued to smoke the cheap Woodbine cigarette—advertised as a "great little cigarette" because they are thinner than the expensive ones, still sat in the cheap seats at the films, and bought his beer in the cheap section of the pub, it was apparent to his former mates that his new prestige hadn't gone to his head.

Perhaps his biggest stroke of tact was when he bought the family television set. In England the average sized screen is 17 inches. Only those who really cannot afford it, seem to buy the 21-inch set. Most of Cliff's friends have splurged on the large screen. The upper classes pretend to dislike television but must show that they can afford a set so they buy the 17-inch screen. To buy the 14-inch one would indicate possibly that there was little money to be had for a set. To buy the most expensive might show a liking for the "thing." So they buy the 17-inch set as a compromise between like, dislike and economy. Cliff and Jean wanted the medium-size screen but bought the large 21-inch set to retain the same-quality which was so important for their friends and themselves.

Cliff admits that it certainly has been a blessing for him and his family to have been given the foreman job and he is glad that he accepted it in spite of his problems. Without an ostentatious show of increased income he has been able to make his home more comfortable. But most of all, he will now be able to save towards the down payment on a house of his own. This is his goal in life—a home of his very own, in the country, but close enough for him to commute.

He is non-committal about his future prospects but does state that it took him years to become a "re-

luctant foreman" so he will probably be years as a foreman.

It is obvious that this is as high as Cliff wants to go and will go. On his present salary he will be able to buy his own country cottage in a few years and, perhaps later, a car. He will be able to educate his boys, with help from the local government, and still maintain a high standard of living for his family.

He will own relatively few possessions, at least in comparison with his American counterpart, but what he does possess will be *his* outright, for he will not buy on weekly payment as much as his American counterpart will. Partly because of government restrictions and partly because he couldn't be happy with possessions only "partly" his.

Yes, our reluctant foreman is happy as things are now—he faces the future with contentment.

## TRACEY'S REPLY

Sirs:

I HARDLY KNOW where to begin to try and correct the false impressions which the article gives and can only say that insofar as the conditions described apply to all, they would relate to the period before the 1914-18 war and certainly not to the present day.

It is true of course that there are grades of cigarettes in this country; there are different prices of cinema

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seats and there are different sizes of television screens, but this is as much a matter of individual income and individual taste as of social position or the job which one holds in industry.

To show the fallacy in the Woodbine argument, may I tell you a story which was told to me by Len Mitchard, the Secretary of our North Eastern section concerning an experience of his when he thumbed a lift during his time in the Air Force during the war. He managed to get a ride in a very large and expensive car and sat in the back seat talking to a very interesting gentleman who proceeded to offer him Woodbines to smoke. Later on they stopped for a meal and in a subsequent chat with the chauffeur driving the car he found he was riding with one of the Directors of the Imperial Tobacco Company of Great Britain and Ireland, who manufacture various grades of cigarettes from the most expensive, down to the humble Woodbine. The Directors apparently found that the Woodbine was the best smoke. Need I say any more on this issue?

It is true of course that we have large estates of council houses which are subsidized to varying degrees but that is rather because we have tended to treat housing in this country as a social problem, and I can assure you that some of the rents of the latest and most up-to-date council dwellings being built are higher than a lot of the non-subsidized housing. Ernest

Bevin, who was, if you will recall, our Foreign Minister until he died some few years ago, had made it part of his life's work to see that council estates carried a mixed bag of the population and were not devoted to a special section of the community. It would be idle to pretend that he succeeded completely in this matter, or that some class distinction does not still exist. However, it certainly plays a very small part in our day-to-day lives.

Another random thought which strikes me is that 75 per cent of foremen in British industry have come up from the shop floor and there is in fact a long tradition of this, thus it would be no new experience for people to find that someone had been promoted from the shop floor, and it is unlikely that anyone in the position of Clifford Watts, in your article, would have any heart searching on the social aspects of his promotion. He is far more likely to be concerned under our present day conditions with the fact that his promotion would mean very little increase at all in his salary, and if he had previously been a bonus worker on a good incentive scheme, he might well be making some financial sacrifice in order to achieve his first step up the management ladder.

The author has touched very, very lightly on one problem which is of major importance and which I think illustrates the greatest difference between foremen in the U.S. and fore-

men in the United Kingdom. He states that Clifford Watts is non-committal about his future prospects and I think this fairly represents the position of many foremen in British industry who do not yet see their way quite so clearly to further promotion as the Institute of Industrial Supervisors would wish.

I hope all this does not sound as though I am being simply destructive, and I appreciate that we are probably too close to the differences in our social structure to see them in quite as detached a fashion as your author. I can only say finally that if you were to walk through the center of this city of some million and a quarter people and studied the

crowd, you would have great difficulty in deciding from their appearance, their states of dress or their standards of behavior, into which class the majority of them fall. One could obviously identify the extremes but that would be all. I imagine the differences between the president of a company and some of your lowest paid workers would be equally noticeable.

I hope I have not placed you in too great a quandary by all this but (to be a little constructive for a change) if there is any help you want further, to my above comments, you know you only have to ask for it. . .

*Yours sincerely,*

*H. A. C. Tracey.*

---

*George Bernard Shaw once said that the only time he was at a loss for words was when a messenger boy arrived at his home.*

*The great man was eating dinner.*

*When the boy saw Shaw's vegetarian dinner spread out before him he said:*

*"Have you finished dinner, Sir, or are you just starting?"*

---

*The young lady walked up to the woman who was superintendent of the military hospital.*

*"May I see Captain Jacobs?" she asked.*

*"May I ask who you are?"*

*"I'm his sister."*

*"Well, well. I'm glad to meet you. I'm his mother."*

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*A visitor at Mark Twain's home once remarked about the abundance of books, but the limited accommodations for them.*

*"Yes," Twain said wistfully, "but it's so difficult to get them to loan you the shelves!"*

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# The Psychiatrist

*Dr. Edward Dengrove, M.D. and Doris Kulman*

**P**SYCHIATRISTS?—they're all crazy!" How often have we heard something like that—perhaps said it. "He *really* needs a psychiatrist," we say of someone, particularly if we don't like him very much. But, shocked, we say to those closest to us, "You see a psychiatrist? What for? There's nothing wrong with you!"

Today, when one out of every 12 of us will spend some part of his life in a mental hospital, when 17,000 Americans a year die by their own hand, when emotional disturbances are exacting an immeasurable toll in human misery, the psychiatrist and the branch of medicine he represents assume an important role in our lives. Psychiatrists and psychiatry are being talked about a great deal, and a great deal of what is being said is nonsense. No other medical specialty is so clouded by suspicion, so bound by misunderstandings, so subject to misconceptions. What do you really know about the psychiatrist? Here are answers to some of the questions you may have about this least understood of all physicians.

First, just what is a psychiatrist? Primarily he is a physician, an M.D., who has spent many years in post-graduate study preparing for his specialty, as does the specialist in any branch of medicine—the oculist, for example, or the gynecologist. He diagnoses and treats emotional and mental disorders, and he may employ many forms of treatment, including psychotherapy, medicines and shock.

Many people hesitate to consult a psychiatrist, or conceal the fact that they have, because they are afraid they will be considered "crazy." In fact, one young woman was told by her friends that if she was not consulting a psychiatrist because she was crazy, then she certainly was crazy for consulting one! Psychiatry did have its origin in the treatment of the insane, or psychotic, but today the psychiatrist who deals with insanity works mostly in mental hospitals.

The vast majority of the patients the psychiatrist sees—and they are about equally divided among men and women—are what is called neurotic. That means they are per-

fectly sane people who have personal problems intense enough to interfere with the happy, productive functioning of their lives.

They seek the psychiatrist's help because they suffer from agonizing fears, unwarranted apprehensions or undue anxiety. Perhaps they live in a constant state of tension, or have a character disorder, such as alcoholism. Some of them have psychosomatic illnesses—ailments rooted in emotional problems. Asthma, for instance, is often psychosomatic, as are some ulcers, certain skin disorders and a host of other common physical disturbances.

The psychiatrist deals with children who are disturbed or have behavior problems. He is consulted by those who have marital difficulties, and people with sexual problems. And he is often called upon to provide expert testimony in a court of law.

*"If it's just my nerves, Doc, I can handle it myself . . ."* It is only natural, of course, for us to want to solve our problems unaided, but to attempt to handle a severe emotional upset alone is not only to prolong it, but to invite tragedy—even suicide. Does that mean we are to run to the nearest psychiatrist whenever our emotional housekeeping is not in perfect order? Not at all, for, fortunately, most of the emotional upsets we all experience at one time or another are transitory, or arise

from a temporary situation. Here the good services of a religious advisor, the family physician, or perhaps a close friend, are of inestimable value in helping us to see it through.

But should the upset continue to grow worse, the services of a psychiatrist are necessary. Serious emotional problems are deep-rooted and we are often unaware of their true origin. The training, experience and specialized techniques of the psychiatrist are necessary if we are to ferret them out and deal with them successfully.

Quite often emotional disorders are indicated or accompanied by physical disturbances, which no one but a physician—and the psychiatrist is first and foremost a qualified doctor of medicine—should attempt to handle. It is possible, too, that the seeds of a serious emotional illness lie in what appears to the layman as an unimportant symptom.

There are some who consider the psychiatrist suspect because they charge, "he blames everything on sex." Perhaps no other phase of psychiatry has been so completely misunderstood. Just what does the psychiatrist say?

In our civilization, he says, we are forced to repress or suppress two basic drives. One is our hostility, the other our sexuality. Every day in our lives, in the magazines, the movies, the shaving cream ads, we are constantly exposed to sexual stim-

ulation. And we tend to think that stimulation and satisfaction—purely sexual activity—is all there is to sexuality.

But the psychiatrist does not so limit the term. He uses it to define what we may call the basic life force. This includes many things. It is the infant's desire for comfort and warmth, its need to suck and its need for love, as well as the enjoyment of sensual sensations. It is the very fount of our ability to love, and it determines all our love relationships, including the most important of all, the relationship between parent and child.

Repression of this force—sexuality as the psychiatrist defines it—carries many nervous disorders in its wake. It spells the difference between a warm, loving personality and a rigid, unhealthy one, between mother-love and smother-love, between a happy, constructive life and an unhappy, unproductive one.

The child is born helpless in the adult world, completely dependent upon his parents. He needs to love them, and to feel secure in their love. The aggression he sometimes feels towards them when he has been frustrated is not easily accepted in our society. Repressive child-rearing, of the "spare the rod, spoil the child" school, increases his feelings of frustration and rage. He soon learns to conceal this hostility, sometimes repressing it so well he is no longer aware it exists. But it does not cease

to exist. It may force its way to the surface where it produces unwarranted outbursts of anger or anti-social acts. Or it may direct itself inward, producing depression or suicidal ideas—and who has not sometimes felt like ending it all?

Though emotional problems may not appear until adulthood, they do not begin then. They have their origin in the most important phase of our lives, childhood. During the first year of life we triple in weight, add eight inches to our height, learn to recognize people, to eat, to walk and to talk. Never again will we progress so much in so little time.

Our personalities, too, have begun to form, and by the time we are five we have established the emotional pattern we will follow throughout our lives. We will react to the situations we encounter in living as we reacted to similar situations in early childhood.

To help his patients attain emotional health, it is necessary that the psychiatrist help them re-experience the events and emotions which so profoundly affected and influenced their emotional growth. They cannot go back in time, of course, and again be children in relation to mother, father, sister or aunt. But it can be "talked out," and because the psychiatrist remains always a completely neutral person, it is possible for them to transfer to him the feelings they have towards the people in their lives.

These feelings are determined not

by what the psychiatrist does, but by what the patient is, and in trained psychiatric hands they are a tool with which to work towards the patient's recovery. With it he brings these feelings into the open where the patient himself can see them, and so learn to understand them and their effect upon his life.

And this is the psychiatrist's prime task—to act as guide along the tortuous path to self-knowledge. He solves no problems for his patients, makes no decisions for them. Rather he helps them to develop the inner strength to make their own. He offers them neither coddling nor criticism, but the often painful experience of learning just what makes them the way they are, and the opportunity to develop the insight and self-mastery to build a happier and healthier life.

Psychiatric treatment usually covers a period of eight months to two years. That may seem a long time. But an emotional disturbance is a chronic ailment, and like a chronic physical ailment—tuberculosis, for example—its successful treatment requires time. As the patient relives events in his life and as the emotions they evoked—some long repressed—rise to the surface, he may become discouraged or frightened and anxious. Sometimes he may seem to be in a worse emotional state than before treatment began. But these

painful memories and conflicts must be recognized and aired if they are to be robbed of their power to make him ill. Psychiatric treatment does not move smoothly along on an even keel; it has its ups and downs, but the downs are only temporary.

Some people fear psychiatric treatment because, they feel, it will in some mysterious way change them. There is nothing mysterious about it, and there is a change only in the sense that a neurotic personality becomes less neurotic. Freed from unconscious hates and fears, able to meet and handle problems with the good sense and mature understanding of the true adult, instead of with the confused and immature emotions of the child, the one-time patient is ready to build a more satisfying life. As he sets about doing this, it may seem to some that he has "changed." Actually, he has not: *he has developed the courage to be himself.*

Artists and writers may be especially fearful that psychiatric treatment will endanger their creative ability. This, too, is untrue. The context of their expression may change but their talent is undamaged; in many cases it is enhanced. And many people find in themselves a creative ability they didn't know they possessed. It is impossible for anyone to complete psychiatric therapy and not become a healthier, happier and better person.

*Condensed from TODAY'S HEALTH. Copyright, The American Medical Association.*

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## Action and Reaction

BY LOUIS RUTHENBURG

ELEMENTARY PHYSICS has taught us that every action is followed by an equal and oppositely-directed reaction.

When an elected officeholder fails to please the voters, his political opponent is elected. That's action and reaction in politics.

Supreme Court Justice Oliver Wendell Holmes was conscious of the law of action and reaction when he said, "I have no doubt that when the power of either capital or labor is extended in such a way as to attack the life of the community, those who seek their private interests at such cost are public enemies and should be dealt with as such."

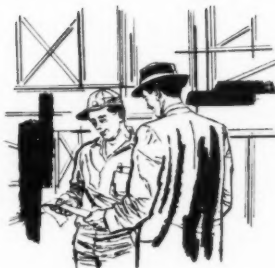
Isn't the Golden Rule an inferential expression of action and reaction? Expressed in various terms, the Golden Rule is to be found in all of the great religious creeds.

External truths like the law of action and reaction are universal in their application. They form parts of a great body of natural law that cannot be repealed or amended by man-made laws.

According to Emerson, "The laws of moral nature answer to those of matter as face to face in a glass . . . The laws of physics translate the laws of ethics."

# HUMAN ENGINEERING

by Louis M. Pinks



INDUSTRY READILY recognizes that there seems to be a shortage of engineers throughout the country. However, in most articles that have been written, mention is usually made only of mechanical, electrical, chemical or aeronautical engineers being in short supply. This brings to mind another field of endeavor, "human engineering."

Perhaps we should first define the term, since the nomenclature is relatively new in engineering circles.

We can safely state that human engineering is the technique that discovers causes and conditions that may lead to employee inefficiency, unhappiness, lowering of morale or general dissatisfaction with assigned tasks.

The human engineer is the person who, by his skill, knowledge, experience and training, attempts to ferret out and correct the causes of these industrial ills. Unlike the realm of "human relations," there is a much broader field for the human engineer to work in. His perimeters encompass phases of human behavior much

greater than those of strict industrial relations.

Industry recognizes that there is and has been far too much absenteeism, too little moral responsibility on the part of young or new employees, and of course this all results in tremendous loss of manpower.

The human engineer's responsibility is to study the causes of such industrial evils and evolve some kind of practicable, workable solutions, at a minimum of cost to the company for whom he works. Thus the problem is to eliminate, or at least to reduce, such evils.

However, before the human engineer can function properly, there must be a sincere desire on the part of top management, first, to recognize that the problem exists within his own company and, second, to be will-

*The author is the editor of MAN-AGAIR, the Convair (San Diego) management club monthly publication. He is a procedures analyst in the Convair engineering department.*

ing to give the human engineer some real responsibility. The methods for study and proposed remedy are the province of the human engineer, with approval by management.

Such evils or problems as absenteeism, turnover, and disloyalty must be broken down into their individual components, and then the different parts of problems can be solved one by one. Then, and only then, can the entire problem be satisfactorily disposed of and the proposed remedial action be put into effect. The human engineer must first determine if there is a lack of skill or misunderstanding of the worker about his assigned task.

In order to find out these things, a certain degree of skill, a lot of tact and diplomacy are required and, above all, a wide and varied experience in dealing with all types of individuals. Seeking the actual, rather than the fancied, underlying causes of dissatisfaction among workers is no simple task. This particular phase of the human engineering endeavor requires a lot of real digging, analyzing and still more digging. Even after this research, the human engineer has only accomplished a part of the total job.

Human engineering is far from being a statistical job, though statistics may play an important part and can easily become an important factor in the final evaluation. The factors that make up the statistics are the real meat of the problem and are

generally overlooked by anyone except the conscientious human engineer.

As an example, suppose a company experiences  $x\%$  of absenteeism on Mondays. This may be an important fact to know about, but what the human engineer must find out is why the  $x\%$  is there. What can be done to lower the percentage? What are the real reasons for  $x\%$ ? What method can be suggested to management that might improve the situation, yet be compatible with sound practices? To implement any curative procedure, however, all the causes that contributed to the high percentage of absenteeism must be known first. The causes must be evaluated for validity and a weighted average must then be made.

In this phase of human engineering, that is, finding causes, considerable motivation research must be undertaken. That means that the human engineer must examine very closely many individual reasons why absenteeism occurred. Whether an employee stays home on Monday or comes to work has some kind of motivation behind it. It doesn't just happen. Something in the worker's mind prompts him to do one or the other. Is it because of working conditions, organizational climate, poor pay by the worker's standards, or any other of myriad real or fancied conceptions?

Any reason that the worker chooses

is generally a valid one in his own mind. The reverse of this situation is also important, for motivation also is responsible for the employee coming in every Monday on time. So the behavior pattern in his work habits is an established one, whether for good or bad.

The human engineer applies the same technique to all industrial problems in his attempt to improve a situation that is bad or prolong a situation that promotes better relationship within industry.

Improvement of working conditions is the goal. And so, that person in industry who is charged with the responsibility of leadership must become, to a great extent, a human engineer. Be he a leadman, a supervisor or a manager, if he holds a place on the industrial organization chart with others reporting to him, he can only be successful as a leader

when he has learned the basic principles of human engineering.

Individuals who are placed in any position of authority do not "handle" their subordinates, they either get along with them or not. Therefore, the true rewards of leadership, the real satisfactions, are derived from the knowledge that the associates of any person in authority are doing a good job, with a minimum of absenteeism, tardiness, gripes, etc.

To this end, the human engineer strives. He studies to discern and disseminate his proposed remedial actions for improvement of working conditions. If those in industry management will give proper recognition to the honest efforts of the human engineer, we may approach at least a partial cure for some of the ills that cause so much wasted effort and loss of manpower in today's fast moving industries.



I HAVE READ with deep interest, and with understandable perplexity, the conflicting testimony of the distinguished economists who have appeared before you at these hearings.

I have studied their differing definitions of the term "administered prices"; I have sought to comprehend that still-born economic concept called the "zone of relative price indifference."

I have struggled with that impossible paradox known as "monopolistic competition"; and pursuing my research even farther into the semantic stratosphere of economic literature, I have encountered "atomistic heteropoly" and "differentiated polypoly."

Clearly, this is no place for simple iron puddlers; so with your permission, I'll just try to keep it simple by avoiding the pitfalls of economic theory and by sticking to the practical economic facts of life which every businessman must face if he is to survive the rising tide of costs, meet his competition, and keep his plant intact in the absence of adequate depreciation allowances.

Now as I understand it, the main purpose of this investigation is to inquire into the warmed-over theory that "administered prices" in the so-called "concentrated industries" are responsible for inflation. Freely translated, I suppose that means: "Is Big Business to blame for it all?"

The learned economists who have appeared before you have discussed

# The Great MYTH

by Roger M. Blough,  
Chairman of the Board,  
U. S. Steel

*A steel executive  
discusses steel costs  
and inflation  
before a Senate group.*

that theory thoroughly, and have—I think—successfully disposed of it; but because of the subterranean implications inherent in the question itself, I should like to be sure that we are all speaking the same language and that we have the same understanding as to the precise meaning of this economic jargon.

For example, I confess that I have no idea just what an "administered price" is—and judging from the wide divergence of opinion among the witnesses who have testified here on that point, I am not alone. Perhaps it is merely the opposite of a "haphazard price." But whatever it is, I gather that the one who should have some understanding of the meaning of the term is Dr. Gardiner C. Means who invented it.

So I would like to note, in passing, some of the statements he has made to the committee about "administered prices"—about what they are and what they are not.

Are administered prices monopolistic? Do they exist only in the absence of competition? In short, are they bad?

To the contrary. According to Dr. Means, they lead "to greater efficiency and higher standards of living. . . . They are an essential part of our modern economy. . . . Without them, big, efficient industry would find it almost impossible to operate."

Well, then, are administered prices a phenomenon which is peculiar to

big businesses and to "highly concentrated" industries?

Why, not at all, explains Dr. Means. An administered price is merely an established price at which something is offered for sale. In other words, it is the price that you and I pay for virtually everything we buy, wherever we buy it—at the corner drugstore, the neighborhood newsstand, or in Macy's basement. Dr. Means says: "We could not have our big, efficient department stores and mail order houses if prices were not administered."

Then perhaps administered prices are something new—some modern development in our economy?

Wrong again. Dr. Means says: "Even in Adam Smith's day, administered prices were known." His main idea seems to be that administered prices are something which should be studied further in order that their economic effects can be more fully understood. In no event does he regard them as something "that can or should be done away with."

So since Dr. Means' prices prevail generally throughout the business world, and since they are neither bad nor something new, perhaps we should just forget this confusing word "administered" and talk for a while about prices, period. And the question before us then is: Are prices in "concentrated industries" responsible for inflation?

## IS STEEL A "CONCENTRATED" INDUSTRY?

But what are "concentrated industries" and how "concentrated" do they have to be to qualify as potential villains in this cycle of inflation? Throughout the testimony before this committee, I note the almost universal presumption that steel is a classic example of a "highly-concentrated" industry. And frankly, this puzzles me.

The Department of Commerce has prepared for this committee a list of 447 American industries as classified by the Census Bureau, and has shown what percentage of the sales in each of these industries was accounted for by the four largest producers.

Thumbing through that list, I find that 112 of these industries—and remember, I am talking about industries, not just companies . . . 112 of these industries are more concentrated than "steelworks and rolling mills." In fact, one-quarter of all of the industries in America—as shown on this Census Bureau tabulation—are more highly concentrated than steel.

So perhaps—in order to avoid confusion—we'd better forget this term "concentrated industries" for a moment and just ask ourselves if industrial prices are responsible for inflation.

And the answer to that—as all of us must recognize—is that rising prices do not *cause* inflation; they are the *result* of inflation. As a knowing

friend of mine put it: "Price increases cause inflation like wet streets cause rain."

In this connection, all of the economists who have appeared here have emphasized the fact that wages and other costs are inextricably linked with prices; and Prof. Richard Rugles of Yale University, in the course of this testimony, has come forward with some factual evidence that can hardly be ignored.

Addressing himself to the theory that administered prices have enabled producers to take advantage of wage increases by raising prices even more, he says: "For industrial producers as a whole, this form of the argument is easily shown to be *not* true."

He then turns to official U. S. Government figures to show that since 1951 wage costs have risen about twice as much as prices for manufacturing in total; and that wages have also risen faster than productivity.

Coming next to the Government's "cost-of-living" index, he shows, through careful analysis, that the rising price of the products—or commodities—that people buy has had relatively little effect upon the consumer's pocketbook in recent years; and that most of the increase in the cost-of-living index has resulted from the rising price of services—or non-commodities, if you will. Thus since 1951, he says, the price of services—as recorded in the Index—has risen 21 per cent; while the price of commod-

ities has gone up only 2 per cent. And he concludes with this simple statement, which I should like to quote with emphasis:

*"It is not possible to maintain, in view of the statistical evidence, that administered prices have been primarily responsible for the inflationary spiral."*

That is Dr. Ruggles' statement; and that is what the evidence clearly shows. Yet in the face of the indisputable facts, which are readily available to anyone who cares to look them up, the belief still seems to persist that there is something special and different about steel—that a rise in the price of steel can somehow touch off a new round of inflation; and that it will quickly affect the sensitive pocketbook-nerve of every man, woman and child in America.

Mr. Chairman, that is sheer economic superstition; and it behooves us, I think, to expose it as such, for if this committee is to contribute—as I hope it will—to a broader public understanding of the real causes of inflation, it must deal in facts, and not in unsupported assumptions, however long those assumptions may have been an established part of our national folklore.

Now what are the facts?

Well, The New York Times, on March 10 of this year, published a front-page story in which it analyzed the changes in the cost-of-living index since 1952, and showed what

has happened to the price of all of the major items which are covered by that index. This story, written by Edwin L. Dale, Jr., the Times' economic correspondent, showed—just as Professor Ruggles has shown here—that the price of the *things* which people bought during this period had remained relatively stable; but that the price of *services*—or non-things, such as transportation, medical care, laundry, haircuts, rent, and so on—had risen substantially. And to illustrate the minor role that industrial prices have played in this picture, the Times made this significant statement:

*"Though it may seem surprising," said the Times, "the price of steel could practically double and the cost of living would hardly show it. Between 1951 and 1955, the price of steel rose 14 per cent; but the price of household appliances—washing machines and the like—actually declined by 13 per cent."*

How can this be? Well, the most authoritative explanation undoubtedly comes from Dr. Ewan Clague, who as U. S. Commissioner of Labor Statistics for many years, must be regarded as our leading expert on matters pertaining to the cost-of-living index—or the "consumer price index," as it is now called.

In August of last year, Dr. Clague said that a rise in steel prices has only a "negligible" effect upon the cost-of-living index because the amount of steel in the consumer dollar is so

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"tiny." And that, of course, is the crux of the matter. All the money that the American people spend for steel in a year is so small in comparison to their total expenditures for all of the other things they buy, that any change in the price of steel is overwhelmed by the price movement of other goods and services which make up the average family's budget.

In fact, the recent steel price increase would affect that budget by about four one-hundredths of one per cent. That is considerably less than one cent a day for a \$5,000-a-year budget—or not even enough to buy one cigarette.

But perhaps the most conclusive evidence on this question is to be found in the records of U.S. Steel itself. Possibly some of you gentlemen may recall that several years ago—on May 1, 1948, to be exact—United States Steel tried to lend what weight it could toward slowing down the inflation that was then running riot. And possibly you recall, too, the result of that experiment. If not, let me refresh your memory.

In the previous year, 1947, the cost-of-living index had jumped 14½ per cent above the level of the year before. That was the largest annual increase ever recorded since the First World War period; and it is interesting to note, in passing, that this 14½ per cent rise in that one year was more than 3½ times as great as the total increase that has occurred

in the past three years put together. We were deeply concerned about inflation—as we still are—for among the industrial population of America, the steel industry has been one of the principal victims of inflation. It was a major problem for our company and we decided to do something about it if we could.

Fortunately, we had a unique opportunity to do so, for under the terms of our contract with the union that year, our workers could seek a wage increase; but they could not strike to obtain it.

So instead of granting the union's demand for higher wages, we determined to reduce the price of our products by \$25 millions—or an average of about \$1.25 per ton. Reductions on individual products ranged from \$1 to \$5 per ton and applied particularly to those steel products which we hoped would bear most directly upon the cost of living—the kinds of steel, in short, that go into automobiles, household appliances, tin cans, roofing and siding for buildings and various wire products such as nails, wire netting and fencing.

Now remember, please, that at this time steel prices were already lagging far behind other prices generally. From 1940 to May of 1948, they had advanced only 40 per cent, while the price index of all commodities had gone up 2½ times as much; food products, 3½ times as

much; and farm products more than four times as much as steel.

But still, we cut our prices, and in announcing this price reduction, Benjamin Fairless—then President of the Corporation—made a statement which sounded very much like some of those we hear today. He said:

"We in United States Steel believe that costs and prices in general are too high today for the good of the nation. We are firmly of the conviction that American industry and labor should cooperatively do everything in their power to avoid further increases in costs, which—if permitted to occur—must result in higher prices for almost everything we buy. Certainly the best interests of all of our people will not be served by a further lowering in the purchasing power of the dollar."

Mr. Fairless went on to express the hope that our action would have a "beneficial effect throughout the nation," and that it might help to bring "an early stabilization or reduction in the cost of living." But he also made it clear that if costs and wages continued to move forward elsewhere on a broad front, we would have to rescind our price cut and grant wage increases in fairness to our employees.

I'm sure you all know what happened. Other unions demanded another big round of wage increases—and got them. Other companies had to raise prices to pay for them. Our costs kept soaring skyward. We

might as well have tried to stop an express train with a peashooter. So three months later, we had to rescind our price action, increase the pay of our workers, and try to catch up with the parade that we had fallen so far behind.

This "noble experiment," however, was not a total loss for it taught us three important truths that I hope may someday be widely understood:

First, that no one company, no one industry, and no one union can alone stop the march of inflation.

Second, that neither the steel industry nor any other industry ever sets the wage pattern in America; for the postwar wage pattern has been a never-ending spiral in which each industry, in its turn, is called on to pay a little more than the preceding industry did, and the next industry must then pay a little more than that.

And third, we learned from the stark statistical evidence, that a cut in steel prices produces no discernible or identifiable effect upon the cost of living. The actual mathematical facts may interest you:

Our price reduction took effect on May 1 of 1948. From January through April of that year, the cost of living had risen only three-tenths of one percentage point; but no sooner had our price been lowered than the cost of living began to rise sharply. In the next three months it rose two whole percentage points.

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Towards the end of this time we had to give up and raise wages and prices substantially. And what happened to the cost of living? It went up one-half of one percentage point in the following month and then began to drop steadily—not only throughout the balance of the year, but throughout all of the following year until it reached the lowest point it had seen in 22 months!

And so, Mr. Chairman, if we are going to investigate steel prices at this hearing, by all means let us investigate steel prices; but in so doing let us not delude ourselves or anyone else into the notion that we are thereby striking at the roots of inflation!

#### MODERN INDUSTRIAL MIRACLE: 7¾-CENT STEEL!

On the contrary, let us try, at least, to bring a little helpful perspective into this whole steel price picture. It is popularly supposed that the price of steel is too high; but I wonder whether one person out of ten, in this country, has the remotest idea what the price of steel actually is.

Today steel is selling for about 7¾ cents per pound. That is the average price that U. S. Steel is getting for all of the carbon and alloy steel that it ships. Yet to produce this steel it must use billions of dollars worth of equipment, the labor and skills of hundreds of thousands of men, and mountains of raw materials gathered from many parts of the world.

It seems to me that in comparison with almost everything else we buy, 7 and three-quarter cent steel must be regarded as something of a modern industrial miracle.

And how much *has* the price of steel gone up since this broad cycle of inflation began back in 1940? What is the sum total of all of the price increases that have occurred in steel in all of the past 17 years put together? Why, about 4¾ cents per pound!

During this same period, other basic necessities of life have also risen in price. Bread, for example, has gone up 11 cents per pound; butter 39 cents, and round steak 59 cents; and all of us recognize that this is the inevitable effect of inflation. But when the price of steel moves up just three-tenths of one per cent per pound—as it did on the first of July—it is declared to be a matter of grave national concern.

The truth is, of course, that during these 17 years, the value of the dollar has shrunk to slightly less than 50 cents. That means that each penny spent for steel today is really one half a penny. So the price of steel has really gone up very little in terms of an unshrunk dollar. It is mainly that the value of money has gone down.

And then there is the matter of quality—the change in the intrinsic value and usefulness of that pound of steel—which is so often overlooked in these discussions of steel

prices. To compare the price of our 1957 model steel with that of our 1940 model is a good deal like trying to compare the price of a 1940 radio set with a 1957 color television. In many cases the kind of steel we sell today could not have been purchased at any price in 1940, because it simply didn't exist. And while the *price* of these new steels, such as high-strength and alloy steels, is necessarily higher than that of the older-type carbon steels, it may actually represent a lower *cost* to the purchaser.

A case in point is the new bridge that is being built across the Carquinez Straits in California. Instead of using the old-fashioned steels, the engineers of the State of California are using our new, high-strength, "T-1" steel for many of the principal members of this bridge. And by using this higher-priced steel, they estimate that they will *save* \$800,000 on the over-all cost of the structure.

So statisticians who ignore this all-important factor of value will con-

clude that the *average* price of the pound of steel we sell has gone up. But in the light of the new types and usefulness of these higher-cost products, has it really, gentlemen? Or perhaps has the price of steel gone down as an actual matter of value per pound?

I'll leave it to you; but one thing seems crystal clear to me: that, when viewed in its true perspective, the price of steel is amazingly low; for steel is not only the cheapest, by far, of all the common metals; but with surprisingly few exceptions, it is also cheaper—pound for pound—than almost anything else you can buy.

To put it in the politest possible terms, therefore, let me just say that the so-called "high price of steel" is in my opinion another myth, pure and simple. Conceivably this myth has been born of a natural desire to find some convenient scapegoat upon which to blame our inflationary troubles. If so, however, it is my purpose to see that U. S. Steel does not become the scapegoat.

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*Testimony given before the Subcommittee on Anti-Trust and Monopoly, Senate Judiciary Committee, August, 1957.*

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Husband: "Let's have some fun this evening!"

Wife: "Okay, but leave the light on in the hallway, just in case you get home before I do."

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The schoolteacher was giving her students a test on natural history. "Can anyone tell me where the elephant is found?"

One student held up his hand after a long pause:

"The elephant is such a large animal, teacher, that it is hardly ever lost!"

# HOW TO USE THE POWER OF TACT



by Ralph Crosman

WHEN ABE LINCOLN was running for the state legislature the first time, he approached a gang of men working in a wheat field, and started to explain the need for developing the Sangamon river. The men were not particularly interested in how Abe stood on political questions, but they did want to know how he stood at the handles of a wheat cradle: How much could he do in a day? So Abe dropped politics, grabbed a cradle, and led the gang around the field. There were 30 men in the group and Abe harvested 30 votes.

Herein young Abe Lincoln gave an excellent illustration of the operation of a basic and beneficent law, found operating in all business and social relations. When understood and obeyed, either instinctively or through conscious purpose, this principle of tact will contribute mightily to constructive success in any line of endeavor. To defy or misuse it, makes success doubly difficult. Had young Abe been so lacking in sensitivity to this law that he insisted on explain-

ing his ideas about improving the Sangamon river, he might have won few voters among the farm workers.

The business and industrial establishments of the country are packed with people who are trying to move into more advantageous positions without using the fine but powerful instrument of tact. Sometimes they succeed, often temporarily, only to fail finally, under the buffetings of opposition created largely by their own lack of sympathetic discernment and discrimination.

Comparatively few of us understand the vital connection between tact and power. Tact is usually regarded as a sort of negative, superficial social grace, something that keeps one from offending those with whom he comes in contact. The fact is, however, that tact, in its wider and deeper aspects, is a positive force in all constructive activities, a universal principle that runs through all personal and business relations and, by its presence or absence, is found tipping the balance between success or failure in any relationship, or any enterprise, be it minute or mighty, in scope.

It was the use of tact in its creative aspects that enabled Henry J. Kaiser to build his business, from small beginnings, into a billion dollar industrial empire. One day an important question came up for decision at a board of directors meeting, and was approved by all but one member. With only one dissenter, Mr. Kaiser

might well have concluded that he had a mandate to proceed with the project. But instead of doing so, he said: "We do not reach unanimity by having the majority override the minority. We reason together until we see eye to eye. We will postpone the decision for further study."

In other words, Mr. Kaiser's discernment of "what is appropriate to do and say," leads him to "make it an invariable practice to bring as many persons as possible in on a decision . . . to get the ideas of everyone, high or low, who can contribute an intelligent opinion to the discussion. For the real business of the Kaiser companies," he says, "is the building of people."

However, there is nothing Pollyanna about tact. Once Mr. Kaiser went to his banker and told him he proposed to build the Bonneville dam. He told the banker flatly: "Government engineers are doubtful that the dam can be constructed. Bonding companies refuse to take the risk of bonding the hazardous project. The raging waters of the Columbia can rise 20 to 30 feet in a day, and rip out our work. The native Indians have a legend that no man will ever walk across the Columbia river. But we have faith that we can build the dam."

Tact and complete honesty released the power that is inherent in all creative effort. The bank's chairman of the board, in reply to Mr. Kaiser's utterly frank analysis of the hazards

of the project, turned to the president of the bank and said: "Get on your boots: we are going to wade the Columbia river with Henry Kaiser." And despite the cries of "impossible," the Kaiser men did surmount the difficulties and build the dam. Their tact and their faith paid off.

Particularly in business offices and plants, tactfulness and tactlessness show up sharply, with beneficial or devastating results. How may we test ourselves to see whether we are tactful or tactless? If our progress is too often blocked by the indiscreet remark or the false step, how may we change our course? Is it ever safe or desirable to "speak my mind without fear or favor?" Here are

some suggestions that may serve as a guide to more tactful living:

*Do you belong in the I'm-telling-you category?*—Few people, institutions or movements are all black or all white—all good or all bad. Most of them run strongly to the grays. If we find our conversation sprinkled with such remarks as "I'm telling you," or "I don't care what *anyone* thinks," then it is probable that we should be classed as tactless. But if we frequently use such expressions as "Don't you think?" or "May it not be true that?" we are possibly qualifying for a tactful role.

*You don't have to be a hypocrite to be tactful*—How often some one says: "I can't be a hypocrite. I will



"There goes the 4:30 whistle, and here comes Bronski . . ."

not say nice things when I don't feel them. To do so would be dishonest." Hypocrisy is indeed dishonest, but tact which springs from the heart and from a pure desire is never deceitful. William James, the psychologist, covered that point well when he said: "When you don't feel the way you ought to act, if you just act the way you ought to feel, then you will feel the way you ought to act."

Things were not going well in the sales department of a large company. "You must learn to be more tactful," said the manager to a salesman who seemed to be the center of a good deal of friction. "This is the last warning." Here is the salesman's story of what happened next.

"Admonitions to be more tactful didn't mean much to me as I had only the vaguest idea of what the word meant. I thought one could be tactful by being negative, or neutral, in relations with others. It was only after considerable study that I learned that tact is primarily a positive faculty, its negative aspects being less important. One day at a salesmen's meeting there was a hot exchange between me and another salesman over which one should get a new territory that was being opened. Other salesmen started to take sides. A rather nasty situation seemed to be arising. In desperation, I went into the company cafeteria, in the next room, got the nearest thing to a silver platter that I could find, put a note on the platter, and with the

platter on my shoulder marched majestically down the center aisle, and presented the platter and note to my opponent. He arose, bowed low, took the note and read it aloud: 'It's all yours, Bill. I withdraw. Good luck.'

"There was loud and prolonged applause. To this day I don't know what the boys were shouting about. Anyway, I have never had any more trouble with the management or my associates. In some accidental way I had tapped the power of tact. My sales increased and I have always been glad I didn't get what I thought I wanted."

A large proportion of morale-destroying controversies in business and industrial plants arise not so much from differences of opinions or interests as from lack of tact in conducting discussions and negotiations. The head of a large plant, who had been unusually successful in his management-labor relations, summed it up this way: "When pressure mounts and tempers rise, hold your fire, don't pop off. Remember that tact gives poise, that poise gives power, and power, unsoiled by selfishness, leads straight to success."

Harry Graham summed it up pretty well when he wrote:

*Though the noblest disposition you  
inherit,  
And your character with piety is  
packed,  
All such qualities have very little  
merit.  
Unaccompanied by tact.*

## THE LOST WEEKEND

**Friday**



**Sat.**



**Sun.**



**Mon.**



"Well, Peacock, all rarin' to go after the weekend?"

## BUSINESS NOTEBOOK



by WILLIAM M. FREEMAN

**H**AD YOUR CAFFEINE TODAY? Caffeine is a habit-forming drug consumed in this country at an annual rate of 1,800,000 pounds, of which about 660,000 pounds—more than a third—come from abroad.

The drug is the leading actor in a behind-the-scenes tariff battle of great importance for a variety of products, produced here and abroad, that are the pawns in a chess game between domestic and foreign makers.

Caffeine is found in nature in coffee, and elsewhere, and is produced synthetically from cocoa residue and other resources. It goes into instant coffees and cola drinks (it's not at all strange that the Northerner's morning coffee is the equivalent of the Southerner's morning Coke) and is important in medicine as a diuretic and as a cardiac and respiratory stimulant.

The tariff on caffeine, which was \$1.25 a pound in 1936, has been reduced in a series of cuts to 54 cents, the most recent one having gone into effect on July 1. It is to be cut further next July 1 to 51 cents as a result of concessions already made. This is—

### NO STIMULANT

—to domestic producers. The biggest manufacturer, Monsanto Chemical Company, which has had to close a Virginia plant because of the inroads of foreign competition, recently cut 50 cents from its per-pound price. This cut, the second in the past two years, put the price at \$2.50, offering a competitive advantage over the import, which sells at \$2.60 to \$2.70. The incident is part of the continuing—

### KNOTTY PROBLEM

—of how to assist foreign manufacturers without damaging our own industries and our business men. Charles H. Sommer, vice-president of Monsanto and general manager of its organic chemicals division, would not like to see foreign producers take over the domestic market for his product or for any other. He recalls, as do others in the fine chemicals industry, the situation when

domestic supplies were inadequate in World Wars I and II. Foreign producers asked for and got \$17 a pound in the first war and \$9.75 in the second. It is possible that this—

### COULD HAPPEN AGAIN

—if the domestic industry were to be starved and productive capacity curtailed.

The chemical industry is highly important to this country's defense and its way of life. The chemists play a major role in the textile industry, by way of example, not only in making various fibers, but in bleaching, processing, spinning, weaving, knitting, dyeing and finishing. Their work is being enlarged by the addition of chemicals as aromatics to mask unpleasant odors of some substances used in various stages of processing and to add a pleasant fragrance for merchandising.

Textile softeners in many cases now include a pleasant odor, and makers of other specialties, such as bleaches, starches, dyes and the like, are adding industrial aromatics, some of them tinted as well.

Tests at the retail store counter have shown that—

### HIDDEN PERFUME

—can make all the difference in the world in winning consumer acceptance of a product. Manufacturers and retailers have relied only on the senses of sight and touch. When a third sense is stimulated by a pleas-

ant odor the prospect of a sale is improved. It does not matter much that the consumer is unaware of what has happened and often says she chose Product A instead of B because it "looked better" or "felt smoother," when the fact is that the two were identical except for the addition of perfume to Product A.

Dodge & Olcott, Inc., a national producer of fine chemicals, perfume bases, aromatics and similar items, which has been a pioneer in such developments, reports that stockings made of nylon are difficult to perfume because of the temperatures involved and the nature of the material. However, the results are worth all the trouble. Other apparel items, chiefly for women, are being scented during the finishing process before the material is made up into a garment. The fragrance usually stands several washings and is so chosen as not to clash with any perfume a woman might select.

This addition of perfume to merchandising is only one of several changes, not all of them subtle, that are taking place in the character of stores. Some leaders in retailing are inclined to think the changes are—

### GOING TOO FAR

—in modernization of selling. John A. Logan, president of the National Association of Food Chains, remarked that he had been reading about fantastic developments coming in supermarkets—the punchcards for placing

orders, the irradiated price marks, the electric eyes, the conveyor belts for delivery, and so on. He predicted that some enterprising merchant, going back to first things first, will put some oranges and some meat in full view, so that customers can see, touch and sniff as much as they want.

Said Mr. Logan: "He'll make a fortune."

It is getting more and more difficult to find any food in a big supermarket. The space is going to such "impulse" items, carrying a higher markup and less perishable than fresh vegetables, as hardware, apparel (perfumed or not), phonograph records, magazines, garden implements and cameras. Cameras, incidentally are being sold by—

### NEW TECHNIQUES

—very much like those once used for cigarettes. (Remember the old blindfold test? You smoked Cigarettes A, B, C and Old Gold. A, B and C, oddly enough, turned out to

be full of sand, tar and fusel oil, in that order, whereas the Old Gold was made of quality tobaccos carefully assembled in a sunfilled factory by lovely maidens in Dior gowns). The DeJur Amsco Corporation put three movie cameras on a single tripod and shot a scene under rigidly-controlled conditions, so that the camera itself in each case was the variable, not the film, the weather, the cameraman, the processing or anything else. Two of the cameras were low-priced DeJurs and the third, which was masked, was a considerably higher-priced camera of a competing make. The concern found that "even the experts" could not be sure which camera had taken which picture.

This device, with all the trappings of notarized statements from witnesses, is being used in a promotion campaign. There is no plan to use perfumed inks in printing containers and packaging for the camera. The idea is to call attention to quality and price, a device so old as to be new all over again.

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*"I really don't ask much in life," said the pretty young blonde. "All I want is a nice man to love and understand me. Is that too much to expect of a millionaire?"*

---

*The captain of the polo team was dancing with the haughty, but dumb, movie actress, but he was having a tough time of it.*

*After stepping on her feet a few times, he said: "I'm afraid I'm not dancing well this evening. I'm a little stiff from polo."*

*The actress looked at him from under half-closed eyes and said: "It's no matter to me where you're from!"*

# LETTERS

## ...to the editors



### SECURITY WITHIN?

Sirs:

I would like to make a few comments on your June editorial.

First of all, we both know that the only security that any management person can have these days lies within himself. A foreman who does no more than he has to will undoubtedly wind up getting paid for exactly what he does.

Without a real willingness and a genuine desire to improve one's own position and to develop one's talents, a person cannot be helped by the NMA or any other organization. Our "lackadaisical" foremen rather obviously are getting nowhere rapidly. Only these characters are beyond our reach, and it's doubtful that they would be where they are if their companies had immediate replacements for them.

It is my personal belief that our real objectives should be to secure the real kind of cooperation, the kind of team work that will result in getting men to do what they ought to do as management people, with the

greatest development of the individual himself on his particular job.

And right here seems to be the heart of the whole problem—in industry, in the professions, in organizations and associations—in fact, in all fields of human endeavor. One must clearly understand the aims of the NMA as well as he understands himself in relation to the principles of management.

While foremen qualified for better jobs will find many opportunities to help themselves, it is equally true that a lot of good men are not accorded the recognition due them. Quite frequently it applies also to engineers. In spite of all the fine words that continue to pour from corporate mouths, let's have no illusions about our dual responsibilities. There are indeed two sides to every coin. . . *Lou Rosenthal, Foremen's Club of Greater Cleveland.*

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*Letters to the editors should be addressed to "Editors, MANAGE, 321 W. First St., Dayton 2, Ohio." Letters should be of general interest to supervisors and other management personnel.*



# ACT on FACT

by James Black

**T**HE HEAVY HUM of the shop's machinery seemed far away, remote. Joe Kirby's head nodded forward until his chin tagged his collarbone. Then he jerked it back. Joe Kirby (that's the name we'll give him) was holding the brake in the cab of an overhead crane while repairs were being made on the rails. And he was fighting a losing battle against sleep.

This is how it came about. Joe Kirby and another electrician, whom we'll call George Travers, were assigned by their foreman to grind joints on the rails of an overhead crane. Travers would do the grinding, Kirby would sit in the cab with his foot on the mechanical brake to prevent the crane from moving or rolling while the grinding was being done. The men had received the assignment at eleven in the morning. It was about 20 minutes later when Kirby moved the crane into position and dropped the magnet. Therefore, the critical time, the period when Kirby was supposed to have been asleep, was between 11:20 and 11:30 A.M. For it was 11:30 when the

general foreman arrived on the scene in response to a telephone call from the department foreman reporting that, in his opinion, Kirby was asleep.

## THE "EYE WITNESSES" HAVE IT

It looked like management's case against the drowsy electrician was tighter than the publicity budget of an underground movement in Russia. The department foreman and four other witnesses had observed Kirby nodding in his cab. They agreed, "There was Kirby with his arms on the control levers in the cab, his eyes closed and his head bobbing. Each time he'd nod, he'd snap his head back and open his eyes. His fingers were locked, and when he nodded he'd hit them with his

head. We watched him for five minutes."

Another foreman from the steel department who had witnessed the event remarked, "I saw Kirby's boss and a couple of other men looking at the overhead crane. I walked over to see what was happening. I took one look at Kirby. 'That guy's asleep,' I said."

However, by the time the general foreman arrived the incident was over. Kirby was wide awake. He and Travers were allowed to continue the job. Nothing was said to them.

Kirby and his partner finally finished the assignment. And Kirby continued to work for the remainder of the day. The next morning, however, he was called into the personnel department.

"Joe," said the personnel director, "you were asleep in that cab yesterday. You know the company rule about sleeping on the job. You also know what would have happened if your cab had rolled while your partner was grinding. In view of your offense we have no other course but to give you a two-weeks lay-off."

Kirby denied emphatically that he had been asleep. The personnel director told him that he had been observed by five witnesses and that the facts were completely clear. The suspension stuck. Kirby showed, however, he wasn't asleep in so far as making use of the grievance procedure was concerned. He filed a complaint almost immediately.

Eventually the case was heard by an arbitrator.

Management's argument to justify its action was merely an amplification of the explanation it had given Kirby at the time he was suspended. The Company relied on the statements of five witnesses who had seen the employee nodding in his cab. One foreman even testified, "I saw Kirby. His forearms were across the control boxes. His head was resting on them. A material handler had shouted to him in my hearing, 'Hey, don't go to sleep up there.'"

There you have it! If a man has his eyes closed and his head sagging on his chest, the presumption is that he doesn't have insomnia. The union admitted the company had the right to discipline an employee for sleeping on the job. And the potential danger to the life and limbs of Travers, the other electrician, caused by Kirby's offense was sufficiently grave to warrant a two-week's suspension. At this point it looked like the arbitrator would have no other course but to sustain the company's position. Then Kirby told his story.

#### WHO SAYS I WAS ASLEEP?

"I was not asleep," the employee stoutly maintained. "I was drowsy, yes! But I had full control of the situation. I saw my foreman and several other men watching me. I wondered what was wrong. But then, I figured my boss was peeved to see me sitting there doing nothing. One

of the men even yelled to me, 'Don't be too comfortable and go to sleep.' I think I thumbed my nose at him."

What about Kirby's partner, Travers? What did he have to say?

"Kirby was fully conscious at all times as far as I know," said Travers. "At one time I shouted to him that I was going to put one foot on the ladder and one on the scaffold, and he replied, 'Okay!' One other time I called and he answered. In my opinion he was awake and doing his job."

Travers admitted under cross-examination, however, that he could not see Kirby from his position, and he had not heard anyone shout to him.

#### A POINT TO REMEMBER

And now we come to an important point in the case. Remember, Kirby had been allowed to work the entire day on which his supposed nap took place. Nothing had been said to him officially about being asleep on duty. It was not until the next morning that he was disciplined.

"This would not have happened," Kirby told the arbitrator, "if I hadn't shot my mouth off to the foreman. I told him after lunch that day that I had been drowsy, but I also said that I had never been asleep. You couldn't sit in that cab for an hour and not get sleepy. I may have even had my eyes closed part of the time. But they were smarting because there was a lot of brake fluid and oil on

the floor of the cab. What's more, my eyelids were granulated and rough from welding flash."

Under cross-examination Kirby did admit, "It's possible I had my head on my hands and my elbows sticking out. But in order to keep your foot on the brake it's necessary to sit leaning slightly forward in the cab."

#### ARGUMENT FOR THE DEFENSE

The union summed up Kirby's defense by arguing, "We do not question the good faith of the company's witnesses, but management has not proved its case. From the floor of the plant the supervisors couldn't tell whether Kirby was asleep or not. They applied no tests. None of them spoke to Kirby or touched him. They could not hear him breathe. They had simply seen the employee from a considerable distance with his eyes closed part of the time, and with his body hunched forward in a sitting position, and assumed that he was asleep. These witnesses," claimed the union, "saw what they wanted to see and leaped to a faulty conclusion."

Then the union said, "The only person who knows whether or not Kirby was asleep was Kirby. He has stated he was awake at all times. The entire episode occurred in the space of ten minutes. During this period Kirby replied at least twice to calls from his partner, Travers. He saw the foremen watching him. He could not possibly have done all this if he had been asleep. Finally, the general

foreman has admitted that the employee was awake when he arrived at 11:30 A.M. in response to the department foreman's telephone call. The company has failed to prove its case. It has not shown that Kirby was even in a deep revery, let alone asleep! Kirby deserves to receive the pay he lost during his suspension, and to have the discipline to which he was subjected wiped from the record."

### KIRBY'S RECORD

In disciplining an employee a foreman should always take his entire record into consideration. Of course, what a man has done or has not done prior to the offense with which he is charged has no bearing on his guilt or innocence in the matter at hand. Still, his record would have an influence on the extent of the punishment he receives should he be found culpable. A first offender in the majority of plant rule violation cases would be let off with a much lighter penalty than, say, a three time loser. What kind of an employee was Kirby? According to his personnel file he had nine years seniority and had never before been involved in a discipline case. So we must assume that he was a good employee.

### THE ARBITRATOR REASONS

You be the arbitrator. How would you decide? Was Kirby asleep? Or was he simply lost in thought and

giving the appearance of Rip Van Winkle? Essentially this was the issue to be decided.

Here is what the arbitrator said: "I have reviewed the testimony of witnesses on both sides, and I was impressed with the underlying agreement of everyone concerned on a number of critical points. Kirby admits that his eyes were closed at times and that he may have had his head resting in his hands with his elbows sticking out. Nobody can deny that this posture gives the appearance of sleep to an observer. Also there is agreement that the critical time interval was short—not more than ten minutes. The company witnesses stated that Kirby was nodding, nodding until his head hit his hands. But they do not contend that he stayed slumped over. Instead, they said that his head jerked back each time. Therefore, if full credence is given to company testimony, it still does not prove that the employee had fallen asleep in that short period of time. The most that can be said is that it establishes the fact that Kirby was drowsy and in imminent danger of falling sound asleep.

"The symptoms preliminary to becoming unconscious in sleep," continued the arbitrator, "are eyes closed, head nodding lower and lower, jerking up and then nodding again. This is a condition which all of us have gone through at one time or another. But my recollection of the experience does not lead me to equate it with

real sleep. It is true that it may lead to complete unconsciousness which is real sleep. On the other hand, a person may fight the condition off and return to complete wakefulness."

Then the arbitrator said, "I have visited the shop and stood under the crane which was in the exact position it was the day Kirby was supposed to have gone to sleep in its cab. An employee was sitting in the cab, which I estimate was about 20 feet above the floor. I agree it was easy to observe the man. But I had difficulty in seeing his eyes, and I could not tell whether they were open or shut. In fact, one of the company witnesses confessed that he could not either. Curiously enough, none of the supervisors made any attempt to ascertain whether or not Kirby was asleep. They did not hail him to see if he would respond. Therefore, what we have here is simply the statements of five foremen that Kirby looked as though he were asleep. Refuting this is Kirby's flat denial that he was asleep plus the testimony of Travers that Kirby replied to his questions at least twice during the ten minute period we are discussing.

"I must hold that an assumption based on appearance does not constitute proof of an offense. Since, in my judgment, the company has failed to prove good and just cause for discipline, the grievance must be sustained."

## POST MORTEM ON A NAP

Joe Kirby won his case. Moreover, as the union pointed out, nobody could really tell if Joe Kirby had been asleep except Joe Kirby. As a matter of fact, it's doubtful that even Kirby could say for sure.

How many times have you nodded off at a concert or some other gathering, to have your wife's elbow prodding insistently in your side and her tense whispering in your ear, "Wake up! Everybody's looking at you!"

"Who's asleep?" you indignantly reply. "I know what's going on. I just had my eyes closed so I could hear better."

Does your wife believe you? Indeed she doesn't! But do you believe it? It doesn't take much doing to convince yourself honestly that you were as wide awake as a five-year-old on Christmas morning. You're thoroughly and sincerely outraged that anyone has accused you so unjustly.

Joe Kirby may not have been asleep but he was certainly in hand-shaking distance of the Japanese Sandman. If his foot had slipped from the brake it is very possible that a tragic accident would have occurred. Yet in this case there was evidently a cluster of five supervisors looking at a man asleep, or about to go to sleep, and not one of them doing anything to wake him up or to stop him from drifting away into slumber. If Joe Kirby's boss, on

seeing him nodding in his cab, had climbed up there, shaken him by the shoulder and said, "Keep your eyes open, fellow! If your foot slips off that brake, we'll have a nasty accident," an unpleasant incident would have been avoided. You can bet that sleep would have been a long way from Kirby's mind from then on.

A foreman is a leader, not a policeman. When he sees an employee headed for trouble it's his job to haul him in before he gets there, not to wait until he breaks a rule and then throw the book at him. Of course, it's easy to Monday-morning quarterback. At the same time, this was apparently a situation where a single act of intelligent supervision could

have headed off a time-consuming, expensive disagreement. Kirby might have been asleep. And he probably deserved punishment for his carelessness. But Kirby wasn't the only one who was asleep. If supervision had been wide awake this was a grievance that would never have reached an arbitrator. Kirby's foreman should have taken action to keep the employee from nodding off if he thought that was likely to happen. Certainly, before he charged the man with being asleep he should have taken a close-up look to make sure his accusation would stick before he recommended anything so drastic as a two-week suspension as punishment.

*(This case is based on a case described in the LABOR RELATIONS REPORTER, December 1956.)*



**"Do you think that's necessary, Mr. Bleik?  
After all, I'm your only employee. . ."**



## Heppenstall Management Club

Pittsburgh, Pa.

### *Management Team of the Month*

WITH THE MONEY OUR CLUB makes from the sale of monthly dinner tickets, we sponsor education programs which are open to all employees of the company. About 25 per cent of the participants in our programs are hourly workers who, of course, do not belong to our NMA club.

The subsidization our company makes to our Management Club is \$1.50 toward the dinner of every member attending the monthly meeting. In addition, we charge every member \$1.50. Ordinarily the catering price of the dinner is about \$3.00, but we have arranged with a local Boys' Club mothers' group to serve the dinners more economically. The saving goes into our education program fund and we sponsor a minimum of two courses a year.

Among the club-sponsored courses have been cost accounting, power generation, public speaking, industrial engineering, accident prevention and safety, and principles of metallurgy.

The club draws upon the management membership for all instructors

and classes are held during the evenings so all students attend on their own time.

Approximately 75 per cent of our 140-man membership has graduated from at least one Management Club-sponsored education course.

We have found that the education program has been a fine stimulus to attendance at our regular monthly meetings, which rarely draw less than 10 per cent of our membership. Since every meeting is opened with a five-to-ten-minute report on company operations, plans, policies, anticipated promotions, work load, profit showing, or contract negotiation, by either the company board chairman or president, the member of management who does not attend a meeting misses valuable information.

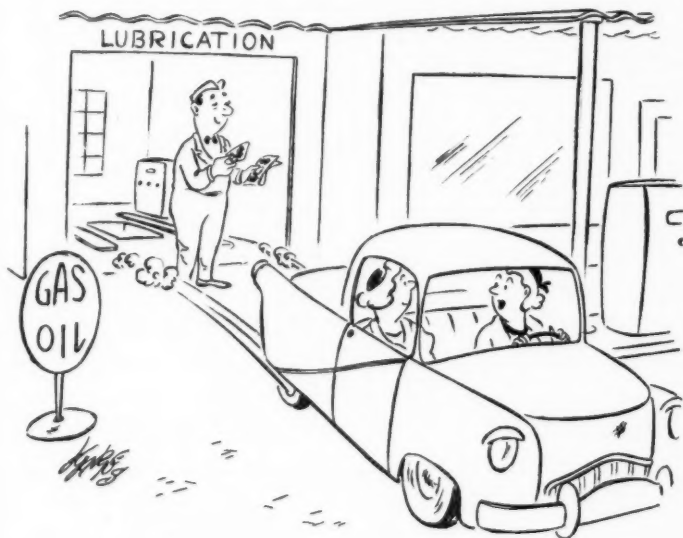
Our club membership is so enthusiastic about their individual roles in managing the company operation that two of our monthly meetings now are put on by customers of the company, so the Management Club might better understand customer problems and the part our Heppen-

stall products play in helping our customers stay in business.

"The Heppenstall Management Club's education program, open to hourly workers as well as Management Club members, is doing a significant job of strengthening all our people as better-qualified personnel," says John P. Roche, company president. "There is no doubt our labor-management relations are more harmonious because of the Club's inter-

est in helping hourly workers develop themselves through the Club education courses. These programs also have increased the employees' understanding of the management function, and that understanding leads directly to the cooperation needed for teamwork."

*Stephen Balkovec,  
President,  
Heppenstall Management Club  
Pittsburgh, Pa.*



**"Arthur thought I wouldn't know how to take care of a car,  
but I've had it greased every single day."**

# How **WOULD YOU** **HAVE SOLVED THIS?**



by Lloyd P Brenberger

**NOTE:** To be considered for \$10 cash awards and certificates of special citation, all solutions to the problem must be postmarked no later than **NOVEMBER 10, 1957**. Address your solutions of no longer than 500 words to Editor, **MANAGE**, 321 West First Street, Dayton 2, Ohio.

## PROBLEM No. 20

### CHALLENGED

"Get off my back, you ain't got the right to tell me them parts I'm doin' are good or bad. That's inspection's job." These were the words that Wilmer used when Mac, his foreman, started spot checking his work. Mac looked up in amazement and replied rather firmly that it certainly was within his rights, and that if Wilmer didn't correct the units Mac had laid aside, and improve in general, he would have to issue him a written reprimand. To use Mac's words, Wilmer "flipped his wig." He demanded representation, and to Mac's further amazement the steward upheld Wilmer's complaint. However, the complaint was not reduced to a written grievance because Mac handled the situation very well. Put yourself in Mac's place. How would you avoid another unnecessary grievance?

*(Remember the deadline: November 10, 1957)*

## THIS WAS SUPERVISORY PROBLEM No. 17

"I'm going to fire Johnny Noe at 3:30 this afternoon!" was Elmer's first remark as he stormed into his general foreman's office. "Whoa now, boy, slow down and fill me in on what's going on out there," replied Elmer's boss. Elmer, spluttering, said, "I just told Johnny that I wanted him to operate the horizontal drill during the automatic mill cycle, and he told me if he did that he would have to have more money. That's insubordination anyway you look at it." "Stop right there," the boss said, "and let's examine what you have told me and judge your suggestion in the light of the information you have."

If you were Elmer's boss how would you have conducted the rest of the interview?

### AT EASE, ELMER

*By Preston Allen,  
Avco Manufacturing Corp.,  
Nashville, Tenn.*

The first thing in a situation of this kind would be to put Elmer at ease and then have him calmly repeat exactly what transpired.

It seems that Elmer had not directly ordered Johnny to operate the second

## THE WINNERS

Here are the best solutions to the supervisory problem No. 17. The winners have received checks for \$10 each and a handsome two-color Merit Award certificate suitable for framing.

machine, but had told him that he wanted him to operate it, and further it appears that Johnny did not refuse to carry out the orders of his superior but merely stated that if he did operate the second machine, he would have to have more money.

If jobs description's for union agreement were a factor I would very carefully analyze the applicable factors with Elmer.

If it were determined that dual machine operations of this nature were legitimate and part of Johnny's duties, then I would instruct Elmer to thoroughly explain to Johnny that his duties were to operate the second machine, and refusal to do so would result in severe disciplinary action.

Of course I am assuming that Johnny has an average record of employment and that this question has not been an issue previously.

I would caution Elmer about snap judgments and instruct him to keep a

Professor Brenberger, who writes the problem for "How Would You Have Solved This?" and judges the entries of contestants, is head of the Department of Industrial Engineering of the University of Dayton. He is a graduate of the General Motors Institute and has had wide experience in industrial relations and engineering. In recent years he served as a project supervisor for a secret Air Force and Navy research program. He spends part of his free time conducting a specialized management development training course, which he organized for Air Force reserve officers.

cool head in handling situations of this sort in the future. A good supervisor would never storm into his superior's office with such remarks as Elmer used. He would very carefully analyze the problem and approach his superior calmly.

#### IGNORING SAFETY?

*By Carl Malchow,  
Supervisor, Quality Control,  
Westinghouse Electric Corp.,  
Cheektowaga, N. Y.*

The principal issue involved here is not insubordination, and as Elmer's boss I would make that clear immediately. In view of the information Elmer has, there are two factors to be considered that he has overlooked completely.

First of all, only when safety regulations permit should a machine be left running unattended as Elmer suggested. Since no machine is perfect it is never a good policy to set a machine on automatic cycle and send its operator to perform duties elsewhere. While Elmer's intentions are commendable, I would remind him of the fallacy of ignoring safety regulations. Accidents involving machinery are almost always costly, and it is one of management's prime objectives to avoid such accidents at all times.

The second factor of importance is job description. If Elmer finds it necessary to have the duties of his employees overlap, in order to maintain efficiency, it should be so stated on their job description cards prior to the issuance of assignments. If Elmer had written a more flexible job description on Johnny's card he could have transferred him from one duty to another without any dispute as to wages.

These then are the two issues involved, and I would recommend that Elmer check the company safety regulations regarding the operation of unattended machinery before putting such orders into effect. I

would advise him to review the job description cards of his employees and make the necessary adjustments, so that their services can be more efficiently utilized. In conclusion, I would caution him to proceed on a more stable basis in the future.

#### COOL DOWN, ELMER

*By Elmer Hennesian,  
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The ability to conduct an interview successfully requires all the tact and diplomacy at the command of the interviewer, if an argument is to be avoided. But how is one to avoid an argument when the other person is thinking with emotion rather than reason?

If I were Elmer's boss, I would attempt to remove from Elmer's mind, temporarily, his experience with Johnny Noe, i. e., give him a chance to cool down. Perhaps taking five minutes for a cup of coffee would be all that is needed. In an excited state Elmer is sure to present me with distorted details which, later on, he may be forced to defend. I believe Elmer's boss is incorrect in attempting to judge the case right at that moment.

Once Elmer's adrenalin glands have resumed their normal operation. I would let Elmer do most of the talking, going back over the events from the beginning. In retrospect Elmer may reveal significant details which otherwise would probably be overlooked. If Elmer still feels that he is within his rights as a foreman and that this is a case of insubordination, I would then talk with Johnny Noe, perhaps the next day. After all, every disagreement has at least two sides to the story. If a union shop, the steward should also be present.

The final decision should then be based on the facts presented, company policy and the union contract governing the situation.

The true test  
of civilization  
is not the census,  
nor the size of cities,  
nor the crops—no,  
but the kind of man  
the country turns out.

*Ralph Waldo Emerson*

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